

James E. Johnson to be postmaster at New Church, Va., in place of J. E. Johnson. Incumbent's commission expired March 16, 1930.

George E. Jones to be postmaster at Painter, Va., in place of G. E. Jones. Incumbent's commission expired March 17, 1930.

Frank M. Phillips to be postmaster at Shenandoah, Va., in place of F. M. Phillips. Incumbent's commission expired March 16, 1930.

James L. Bailey to be postmaster at Stanley, Va., in place of J. L. Bailey. Incumbent's commission expires March 22, 1930.

Lee S. Wolfe to be postmaster at South Boston, Va., in place of L. S. Wolfe. Incumbent's commission expired March 16, 1930.

John W. Layman to be postmaster at Troutville, Va., in place of J. W. Layman. Incumbent's commission expired March 16, 1930.

Frank J. Garland to be postmaster at Warsaw, Va., in place of F. J. Garland. Incumbent's commission expired March 16, 1930.

VIRGIN ISLANDS

R. H. Amphlett Leader to be postmaster at Frederiksted, Virgin Islands, in place of R. H. A. Leader. Incumbent's commission expires March 22, 1930.

WASHINGTON

Jesse Simmons to be postmaster at Carnation, Wash., in place of Jesse Simmons. Incumbent's commission expired March 16, 1930.

Eugene J. Edson to be postmaster at Coulee, Wash., in place of E. J. Edson. Incumbent's commission expires March 22, 1930.

George M. Mathis to be postmaster at Granger, Wash., in place of G. M. Mathis. Incumbent's commission expires March 30, 1930.

George L. Deu Pree to be postmaster at Marysville, Wash., in place of G. L. Deu Pree. Incumbent's commission expires March 22, 1930.

Elias J. Eliason to be postmaster at Poulsbo, Wash., in place of E. J. Eliason. Incumbent's commission expired March 2, 1930.

William H. Padley to be postmaster at Reardan, Wash., in place of W. H. Padley. Incumbent's commission expired March 16, 1930.

Henry R. James to be postmaster at Rochester, Wash., in place of H. R. James. Incumbent's commission expired March 16, 1930.

Orie G. Scott to be postmaster at Tekoa, Wash., in place of O. G. Scott. Incumbent's commission expired March 16, 1930.

Andrew J. Diedrich to be postmaster at Valley, Wash., in place of A. J. Diedrich. Incumbent's commission expires March 30, 1930.

Everett E. Cox to be postmaster at Wapato, Wash., in place of E. E. Cox. Incumbent's commission expires March 22, 1930.

WEST VIRGINIA

Lucius Hoge, jr., to be postmaster at Clarksburg, W. Va., in place of J. J. Denham. Incumbent's commission expired December 17, 1929.

Omar G. Robinson to be postmaster at Summersville, W. Va., in place of O. G. Robinson. Incumbent's commission expired March 18, 1930.

John W. Mitchell to be postmaster at Wayne, W. Va., in place of J. W. Mitchell. Incumbent's commission expires March 25, 1930.

WISCONSIN

Edward K. Cunningham to be postmaster at Berlin, Wis., in place of E. K. Cunningham. Incumbent's commission expires March 31, 1930.

Ilma Dugal to be postmaster at Cadott, Wis., in place of Ilma Dugal. Incumbent's commission expires March 23, 1930.

Charles J. Anderson to be postmaster at Clayton, Wis., in place of C. J. Anderson. Incumbent's commission expires March 29, 1930.

William A. Roblier to be postmaster at Coloma, Wis., in place of W. A. Roblier. Incumbent's commission expires March 23, 1930.

John W. Crandall to be postmaster at Deerbrook, Wis., in place of J. W. Crandall. Incumbent's commission expired March 16, 1930.

Michael C. Keasling to be postmaster at Exeland, Wis., in place of M. C. Keasling. Incumbent's commission expired March 16, 1930.

George B. Aschenbrener to be postmaster at Fifield, Wis., in place of G. B. Aschenbrener. Incumbent's commission expired March 16, 1930.

Roy E. Lawler to be postmaster at Gordon, Wis., in place of R. E. Lawler. Incumbent's commission expires March 23, 1930.

John T. Johnson to be postmaster at Hollandale, Wis., in place of J. T. Johnson. Incumbent's commission expires March 29, 1930.

Matthew H. Schlosser to be postmaster at Knapp, Wis., in place of M. H. Schlosser. Incumbent's commission expires March 31, 1930.

William L. Chesley to be postmaster at Lena, Wis., in place of W. L. Chesley. Incumbent's commission expires March 23, 1930.

Albert W. Priess to be postmaster at Maiden Rock, Wis., in place of A. W. Priess. Incumbent's commission expires March 29, 1930.

Martin A. Hanson to be postmaster at Menomonie, Wis., in place of M. A. Hanson. Incumbent's commission expires March 31, 1930.

Albert H. Anderson to be postmaster at Nelson, Wis., in place of A. H. Anderson. Incumbent's commission expires March 31, 1930.

Arnold E. Langemak to be postmaster at Sawyer, Wis., in place of A. E. Langemak. Incumbent's commission expires March 31, 1930.

Fred S. Thompson to be postmaster at Superior, Wis., in place of F. S. Thompson. Incumbent's commission expires March 23, 1930.

Elmer O. Trickey to be postmaster at Vesper, Wis., in place of E. O. Trickey. Incumbent's commission expires March 26, 1930.

Chester A. Minshall to be postmaster at Viroqua, Wis., in place of C. A. Minshall. Incumbent's commission expired March 16, 1930.

Carl R. Anderson to be postmaster at Weyerhauser, Wis., in place of C. R. Anderson. Incumbent's commission expired March 16, 1930.

WYOMING

Margaret S. Flatter to be postmaster at Diamondville, Wyo., in place of M. S. Flatter. Incumbent's commission expires March 31, 1930.

Charles M. Hett to be postmaster at Thermopolis, Wyo., in place of C. M. Hett. Incumbent's commission expires March 29, 1930.

WITHDRAWAL

Executive nomination withdrawn from the Senate March 21 (legislative day of January 6), 1930

POSTMASTER

Claude W. McDaniel to be postmaster at Martinsville, in the State of Illinois.

HOUSE OF REPRESENTATIVES

FRIDAY, March 21, 1930

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father, behold us with Thine eyes, whose power is love, and cause our innermost selves to have dominion over our outermost selves. We are so unworthy; we are so poor in the things in which Thou desirest us to be rich that we deserve Thy reproach. Take our whole natures and inspire them to follow Thee in all earnestness and devotion. If any are burdened with discouragement, sustain them. We thank Thee that the infinite heart, which is sovereign over all things in heaven above and in the earth beneath, loves us, even unto our weakness and affliction, and will help us carry our burdens unto the end. Through Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 8705. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a bridge across the Rock River at or near Prophetstown, Ill.;

H. R. 8706. An act to legalize a bridge across the Pecatonica River at Freeport, Ill.;

H. R. 8970. An act granting the consent of Congress to the State of Illinois to construct a bridge across the Little Calumet River on Ashland Avenue near One hundred and thirty-fourth Street, in Cook County, State of Illinois;

H. R. 8971. An act granting the consent of Congress to the State of Illinois to widen, maintain, and operate the existing bridge across the Little Calumet River on Halsted Street near One hundred and forty-fifth Street, in Cook County, State of Illinois; and

H. R. 8972. An act granting the consent of Congress to the State of Illinois to construct a bridge across the Little Calumet River on Ashland Avenue near One hundred and fortieth Street, in Cook County, State of Illinois.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 143. Joint resolution creating a commission to prepare plans for a monument in the city of Washington commemorating the achievements of Orville and Wilbur Wright in the development of aviation.

LEAVE TO ADDRESS THE HOUSE

Mr. FREAR. Mr. Speaker, I ask unanimous consent that I may address the House for half an hour at the conclusion of the regular order and the disposition of business on the Speaker's table next Monday.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that on next Monday at the conclusion of the remarks of the gentleman from Iowa [Mr. RAMSEYER], he may address the House for 30 minutes. Is there objection?

There was no objection.

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to speak out of order for five minutes.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to address the House for five minutes. Is there objection?

Mr. PARKER. Reserving the right to object, I am sorry, but I shall have to object to anybody speaking this morning.

Mr. HOWARD. I yield to the gag. [Laughter.]

RESTORATION OF THE FRIGATE "CONSTITUTION"

Mr. FRENCH. Mr. Speaker, I ask unanimous consent to take from the Union Calendar House Joint Resolution 264, making an appropriation to complete the restoration of the frigate *Constitution*, and consider the same.

Mr. PARKER. Reserving the right to object, if this is going to take any time, I shall object to it.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the title to the resolution.

Mr. GARNER. Mr. Speaker, does the Chair consider this as an emergency that should be taken up out of order?

The SPEAKER. The Chair agreed to recognize the gentleman from Idaho some days ago on the bill. The gentleman from Idaho stated at that time that he regarded it as an emergency; and from his statement the Chair thinks it is an emergency.

Mr. GARNER. Mr. Speaker, what is the emergency? Why can not this come up and be considered on the Consent Calendar in the regular way, like other legislation.

Mr. FRENCH. Mr. Speaker, the reason the committee feels that this ought to be considered as an emergency is because if we fail to pass the measure at this time the group of men who are employed upon the *Constitution*, numbering between 90 and 100, will be disassembled on account of suspension of work. They have been drawn together from New England States and elsewhere. Assuming that the work will go forward at some time, as, of course, it will, it would mean greater expense if we permit it to be suspended for an indefinite period. We think the work ought not to stop, but that it should go forward.

Mr. GARNER. Has the gentleman consulted with the gentleman from Wisconsin [Mr. SCHAFER], who objected to this the day before yesterday?

Mr. FRENCH. I have talked to the gentleman from Wisconsin; yes.

Mr. GARNER. And it is entirely satisfactory to him?

Mr. FRENCH. He has advised me that he desires to withdraw his objection.

Mr. GARNER. It is entirely satisfactory to the gentleman from Wisconsin?

Mr. FRENCH. I think it is. I see the gentleman entering the Chamber now, and he may desire to be heard.

Mr. HOWARD. Mr. Speaker, reserving the right to object, I hope that my leader, the gentleman from Texas [Mr. GARNER], will not object, because from the statement made it would seem that if we can pass this bill it will in a measure relieve the sad situation of unemployment in New England.

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, I have been detained for a moment in a committee meeting. One of the reasons why I objected to this bill day before yesterday was because I believed that we should not take up a bill appropriating \$300,000 from the Treasury out of order by unanimous consent, without any advance notice. Following my objection I have had an opportunity to go back to the original enactment and study the situation. I find that the original act as passed by the Senate provided for a much larger Federal appropriation than the resolution now under consideration. I also find that there was no debate on the floor of the House to the effect that the passage of the original act would not result in later appropriations from the Treasury such as we have found in many similar instances. I have had the opportunity of going over the situation very carefully with the gentleman from Idaho [Mr. FRENCH], who is presenting the request, and also with the gentleman from Massachusetts [Mr. UNDERHILL]. I withdraw my objection, and I am very glad to do so after having had the opportunity to investigate and obtain facts.

The SPEAKER. Is there objection?

Mr. DYER. Mr. Speaker, reserving the right to object, I hesitate to object, in view of what the gentleman from Idaho [Mr. FRENCH] said, but according to the report of the Secretary of Labor, we have many people out of employment. We have a building program, and we seem to be making no progress in that building program, especially in the city of Washington, as well as in many other cities. It seems to me that it is wrong to take even a small sum of money such as this out of the Treasury for building something for a souvenir, for an historical purpose.

Mr. PARKER. Mr. Speaker, I call for the regular order.

The SPEAKER. Is there objection?

Mr. DYER. If the gentleman insists, I shall have to object.

Mr. UNDERHILL. Mr. Speaker, will the gentleman yield for a moment?

Mr. PARKER. Yes.

Mr. UNDERHILL. This is not for the purpose of relieving unemployment. These men who have been employed are shipwrights and carpenters. They have been gathered from all sections of the country, because they are the only group of men who know how to handle this type of work. They have been waiting now for over two weeks without pay and paying their own expenses.

Mr. DYER. I shall not object, but I call the attention of the House to the fact that the building program is certainly not going forward in Washington and not going forward in the country. We can not get legislation through to increase the pay of men who are working on the most meager wages in the Government service.

Mr. COLE. Is not that due to the delay in the Senate?

Mr. DYER. I withdraw my objection.

Mr. SCHAFER of Wisconsin. I agree with the gentleman from Missouri and wish to state that if we do not get some of these much-needed appropriations, I think it will not be out of order to ask for their consideration by unanimous consent in the near future.

The SPEAKER. Is there objection to the present consideration of the resolution.

There was no objection.

The SPEAKER. The Clerk will report the joint resolution.

The Clerk read as follows:

House Joint Resolution 264

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$300,000, to remain available until June 30, 1931, for completing the repair, equipment, and restoration of the frigate *Constitution*, as authorized by the act approved March 4, 1925 (43 Stat. L. 1278).

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the joint resolution was passed was laid on the table.

REGULATION OF MOTOR-BUS CARRIERS

Mr. PARKER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10288) to regulate the transportation of persons in interstate and foreign commerce by motor carriers operating on the public highway.

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 56, noes 2.

Mr. RANKIN. Mr. Speaker, I object to the vote on the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees, and the Clerk will call the roll. The question is on the motion of the gentleman from New York that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10288.

The question was taken; and there were—yeas 320, nays 14, not voting 94, as follows:

[Roll No. 16]
YEAS—320

Ackerman	Doutrich	Kading	Purnell
Adkins	Dowell	Kahn	Quin
Aldrich	Drane	Kearns	Ragon
Allen	Driver	Kelly	Rainey, Henry T.
Andresen	Dunbar	Kendall, Ky.	Ramey, Frank M.
Andrew	Dyer	Kendall, Pa.	Ramseyer
Arentz	Eaton, N. J.	Kerr	Ramspeck
Aswell	Elliott	Ketcham	Rayburn
Auf der Heide	Ellis	Kiefner	Reece
Ayres	Eslick	Kincheloe	Robinson
Bacharach	Estep	Knutson	Rogers
Bachmann	Esterly	Kopp	Rowbottom
Bacon	Evans, Calif.	Korell	Rutherford
Baird	Evans, Mont.	Kvale	Sanders, N. Y.
Barbour	Fenn	LaGuardia	Sanders, Tex.
Beedy	Finley	Lambertson	Sandlin
Beers	Fisher	Lampert	Schafer, Wis.
Blackburn	Fitzgerald	Langley	Sears
Bland	Fitzpatrick	Lankford, Ga.	Seger
Bloom	Fort	Larsen	Siebertling
Bohn	Foss	Lea, Calif.	Selvig
Bolton	Frear	Leavitt	Shaffer, Va.
Bowman	Free	Leech	Short, Mo.
Box	Freeman	Letts	Shott, W. Va.
Brand, Ga.	French	Linthicum	Shreve
Brand, Ohio	Fuller	Lozier	Simmons
Brigham	Fulmer	Luce	Simms
Browning	Gambrill	Ludlow	Sinclair
Brumm	Garber, Okla.	McClintic, Okla.	Sloan
Buchanan	Garber, Va.	McClintock, Ohio	Smith, Idaho
Burdick	Garner	McDuffie	Smith, W. Va.
Burtness	Garrett	McKeown	Snell
Busby	Gibson	McLaughlin	Snow
Butler	Gifford	McLeod	Sparks
Cable	Glover	McMillan	Speaks
Campbell, Iowa	Goldsborough	McReynolds	Sproul, Ill.
Campbell, Pa.	Goodwin	McSwain	Stafford
Canfield	Granfield	Maas	Stalker
Carter, Calif.	Green	Magrady	Stobbs
Carter, Wyo.	Greenwood	Mansfield	Stone
Cartwright	Gregory	Mapes	Strong, Kans.
Chalmers	Guyer	Martin	Strong, Pa.
Chindblom	Hadley	Mead	Summers, Wash.
Christgau	Hale	Menges	Swanson
Christopherson	Hall, Ill.	Merritt	Taber
Clague	Hall, Ind.	Michener	Tarver
Clancy	Hall, Miss.	Miller	Taylor, Tenn.
Clark, Md.	Hall, N. Dak.	Montague	Temple
Clarke, N. Y.	Halsey	Montet	Thatcher
Cochran, Mo.	Hammer	Mooney	Thompson
Cochran, Pa.	Hardy	Moore, Ky.	Thurston
Cole	Hare	Moore, Ohio	Timberlake
Collier	Hartley	Moore, Va.	Tinkham
Collins	Hastings	Morehead	Treadway
Colton	Haugen	Morgan	Tucker
Connery	Hawley	Mouser	Underhill
Connolly	Hess	Murphy	Vinson, Ga.
Cooke	Hickey	Nelson, Me.	Warren
Cooper, Ohio	Hill, Wash.	Nelson, Mo.	Watson
Cooper, Tenn.	Hoch	Newhall	Watres
Cooper, Wis.	Hoffman	Niedringhaus	Watson
Corning	Hogg	Nolan	Welch, Calif.
Cox	Holaday	O'Connell, R. I.	Welsh, Pa.
Coyle	Hooper	O'Connell, La.	Whitehead
Craddock	Hope	O'Connell, Okla.	Whitley
Crail	Hopkins	Oldfield	Whittington
Cramton	Howard	Palmer	Wigglesworth
Crisp	Hudson	Palmisano	Williams, Tex.
Cross	Hull, Morton D.	Parker	Williamson
Crosser	Hull, Wis.	Parks	Wilson
Crowther	Irwin	Patterson	Wingo
Culkin	Jenkins	Peavey	Wolfenden
Cullen	Johnson, Ind.	Perkins	Wolverton, N. J.
Dallinger	Johnson, Neb.	Pittenger	Wolverton, W. Va.
Darrow	Johnson, Okla.	Porter	Wood
Davenport	Johnson, S. Dak.	Pou	Woodruff
Davis	Johnson, Wash.	Prall	Woodrum
Denison	Johnson, Mo.	Pratt, Harcourt J.	Wright
Dickstein	Jonas, N. C.	Pratt, Ruth	Wyant
Doughton	Jones, Tex.	Pritchard	Yon

NAYS—14

Abernethy	Briggs	Huddleston	Romjue
Allgood	Cannon	Jeffers	Stegall
Almon	Doxey	Patman	
Arnold	Hill, Ala.	Rankin	

NOT VOTING—94

Bankhead	Chase	Eaton, Colo.	Hull, Tenn.
Beck	Clark, N. C.	Edwards	Hull, William E.
Bell	Curry	Englebright	Igoe
Black	Dempsey	Fish	James
Boylan	DeRouen	Gasque	Johnson, Ill.
Britten	Dickinson	Gavagan	Johnson, Tex.
Browne	Dominick	Golder	Kemp
Brunner	Douglas, Ariz.	Graham	Kiess
Buckbee	Douglass, Mass.	Griffin	Kinzer
Byrns	Doyle	Hancock	Kunz
Carley	Drewry	Houston, Del.	Kurtz
Celler		Hudspeth	Lanham

Lankford, Va.	O'Connell, N. Y.	Somers, N. Y.	Turpin
Lee, Tex.	O'Connor, N. Y.	Spearing	Underwood
Lehlbach	Oliver, Ala.	Sproul, Kans.	Vestal
Lindsay	Oliver, N. Y.	Stedman	Vincent, Mich.
McCormack, Mass.	Owen	Stevenson	Wainwright
McCormick, Ill.	Quayle	Sullivan, N. Y.	Walker
McFadden	Ransley	Sullivan, Pa.	White
Manlove	Reed, N. Y.	Summers, Tex.	Warrbach
Michaelson	Reid, Ill.	Swick	Yates
Milligan	Sabath	Swing	Zihlman
Nelson, Wis.	Schneider	Taylor, Colo.	
Norton	Sirovich	Tilson	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Tilson with Mr. Bankhead.
Mr. Vestal with Mr. Linthicum.
Mr. Graham with Mr. Drewry.
Mr. Kiess with Mr. Griffin.
Mr. Lehlbach with Mr. Lanham.
Mr. McFadden with Mr. O'Connell of New York.
Mr. Dempsey with Mr. Milligan.
Mr. Buckbee with Mr. Boylan.
Mr. Swing with Mrs. Owen.
Mr. Wurzbach with Mr. Lindsay.
Mr. Yates with Mr. Dominick.
Mr. James with Mr. Spearing.
Mr. Vincent of Michigan with Mr. Quayle.
Mr. Swick with Mr. Byrns.
Mr. Reid of Illinois with Mr. O'Connor of New York.
Mr. Browne with Mr. Stevenson.
Mr. Chase with Mr. Carley.
Mr. Reed of New York with Mr. Bell.
Mr. Wainwright with Mr. Oliver of Alabama.
Mr. William E. Hull with Mr. Somers of New York.
Mr. White with Mr. Edwards.
Mr. Johnson of Illinois with Mr. Taylor of Colorado.
Mr. Michaelson with Mr. Gavagan.
Mr. Hancock with Mr. Hull of Tennessee.
Mr. Dickinson with Mr. Sullivan of New York.
Mr. Beck with Mrs. Norton.
Mr. Ransley with Mr. Black.
Mr. De Priest with Mr. Fish.
Mr. Brigham with Mr. Kemp.
Mr. Sproul of Kansas with Mr. Celler.
Mr. Englebright with Mr. Sabath.
Mr. Britten with Mr. Igoe.
Mr. Schneider with Mr. Summers of Texas.
Mr. Curry with Mr. Oliver of New York.
Mr. Sullivan of Pennsylvania with Mr. McCormack of Massachusetts.
Mr. Houston with Mr. Brunner.
Mr. Eaton of Colorado with Mr. DeRouen.
Mr. Turpin with Mr. Sirovich.
Mr. Golder with Mr. Underwood.
Mr. Walker with Mr. Johnson of Texas.
Mr. Zihlman with Mr. Kunz.
Mr. Kurtz with Mr. Douglas of Arizona.
Mr. Manlove with Mr. Gasque.
Mr. Nelson of Wisconsin with Mr. Lee of Texas.
Mrs. McCormack of Illinois with Mr. Douglass of Massachusetts.

The result of the vote was announced as above recorded.

The SPEAKER. The House automatically resolves itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10288. The gentleman from Michigan [Mr. MICHENER] will please take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10288, with Mr. MICHENER in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10288, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 10288) to regulate the transportation of persons in interstate and foreign commerce by motor carriers operating on the public highways.

Mr. DENISON. Mr. Chairman, I ask unanimous consent to proceed for three minutes concerning an amendment which I had intended to offer.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for three minutes. Is there objection?

Mr. RANKIN. Mr. Chairman, may we have the amendment reported?

Mr. DENISON. I am simply going to make a short statement. Yesterday afternoon I offered an amendment and afterwards withdrew it, with the statement that I would probably offer it again this morning. The purpose of the amendment was to exclude from the consideration of the joint boards minor questions respecting the service of motor vehicles that might arise from complaints by those interested. I find, Mr. Chairman, upon further consideration, that it is possible that the amendment I proposed to offer might include some important questions; and, moreover, in the committee I agreed to this provision in the bill, applicable to two States only. In the House the scope of the bill has been enlarged to embrace three States. I do not know of any way that I can separate the application of my amendment so as to apply to the changed conditions of the bill, and inasmuch as I agreed to the compromise arrived

at in the committee by which we were enabled to report the bill to the House, I am not disposed to offer my amendment. I thought there ought to be an amendment to carry out the idea, but, on second thought, I do not think I should offer the amendment, in view of what occurred in our committee when the bill was under consideration.

Mr. RANKIN. Mr. Chairman, does the gentleman think that a Member of the House should be influenced by a vote had in committee, even though the members of the committee voted for the provisions of the bill, when the bill comes before the House? If he sees that the bill should be amended in any way, does the gentleman from Illinois think he should feel bound by an agreement arrived at in committee and desist from offering amendments?

Mr. DENISON. That is a problem which each Member must settle for himself. There was a difference of opinion in the committee on several of the provisions of the bill, but we all felt the need of prompt consideration of the legislation; and in order to report the bill, I agreed to this provision applying to two States. I do not want to even appear to be in the position of having gone back on that agreement.

Mr. RANKIN. Of course I was against the amendment, and I am against it now; but I disagree with the gentleman from Illinois in his idea that members of a committee are estopped, if you please, from offering amendments to bills coming from that committee merely because he agreed to that particular provision in committee.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. LEA of California. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LEA of California: Page 7, line 4, after the word "If" insert "the board of each State from which a member of a joint board is entitled to be appointed shall waive action on any matter referred to such joint board, or if."

Mr. LEA of California. Mr. Chairman, the object of this amendment is to attempt to make a smoother operation of the 3-State joint board system. It proposes that when the State boards of each State which is entitled to representation on the joint board waives consideration of the particular matter referred to the joint board, then the commission may act upon the matter.

There are a great many matters of little consequence, as the bill stands now, which would be required to be referred to joint boards. The object was, of course, to preserve the rights of the people in the States. The amendment provides that the board of each State may waive the right of hearing, and in that event jurisdiction is to be given to the commission. I have conferred with the gentleman from Michigan [Mr. MAPES], and he is satisfied with this amendment.

Mr. PARKER. Mr. Chairman, in behalf of the committee, I accept that amendment and move that the debate on this amendment to the section be now closed.

Mr. RANKIN. Mr. Chairman, I think that is unfair. I rise in opposition to the amendment. The gentleman has no right to make that motion until we have had debate on both sides of it.

Mr. PARKER. I yield time to the gentleman.

Mr. RANKIN. No; I will take the time from the House. I rise in opposition to the amendment.

The CHAIRMAN. A motion is pending.

Mr. RANKIN. I make a point of order against the motion.

Mr. MAPES. There is nothing to the point of order, Mr. Chairman. This amendment was offered, and debate was had on it.

The CHAIRMAN. The Chair is ready to rule. There is not any question but that debate has been had on this amendment. There is not any question but that under the rules of the House the gentleman from Mississippi is too late.

Mr. PARKER. Mr. Chairman, I will not object to the gentleman asking unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman may proceed only by unanimous consent.

Mr. HASTINGS. Mr. Chairman, I had understood that the motion made by the gentleman from New York [Mr. PARKER] was temporarily withdrawn.

The CHAIRMAN. Does the Chair understand that the gentleman from New York [Mr. PARKER] withdraws his motion?

Mr. PARKER. Mr. Chairman, I amend the motion to provide that all debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. The question is on the motion of the gentleman from New York [Mr. PARKER] as amended.

The motion was agreed to.

The CHAIRMAN. The gentleman from Mississippi [Mr. RANKIN] is recognized for five minutes.

Mr. RANKIN. Mr. Chairman, I just want to say to the members of the Committee on Interstate and Foreign Commerce that they had better travel rather slowly about these steam-roller methods by which they are attempting to shut off debate on these amendments to the bill. Then I want to say to the membership of the House that by all means this amendment should be defeated.

What right has one of these boards to delegate to the Interstate Commerce Commission their powers or to waive the power vested in them by the constitution and the laws of your State? Do you realize what this amendment means? This amendment will likely wipe out the Mapes amendment adopted a day or two ago, and you will find yourselves back where you were before the Mapes amendment was inserted into the bill.

I do not think it should be left to the membership of these boards to waive State rights; to waive the rights that the States have vested in their utilities commissions or their representatives on the joint boards, and for that reason I am opposed to this amendment, and I seriously trust that if you are sincere in the adoption of the Mapes amendment, you will vote against this amendment.

Mr. GARBBER of Oklahoma. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. GARBBER of Oklahoma. The gentleman must recognize that the Federal Government would have no power to compel a State official to act.

Mr. RANKIN. No; but the gentleman from Oklahoma knows that if one of them fails to act, the governor of the State will appoint a representative. Then why should you permit some recalcitrant on a joint board to waive the powers and rights of the State, and take that power away from the governor of the State, in whom you have vested it by the amendment adopted?

Mr. BURTNESS. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from North Dakota.

Mr. BURTNESS. As a practical proposition, does not the proposed Lea amendment simply expedite the matter and take care of the situation and avoid delays?

Mr. RANKIN. No.

Mr. BURTNESS. The commission and the governor would otherwise make an appointment to the board.

Mr. HASTINGS. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. HASTINGS. If a member of the board waives it, he exercises power, does he not?

Mr. RANKIN. Of course, he does. He surrenders.

Mr. MAPES. Will the gentleman yield?

Mr. RANKIN. I yield for a question.

Mr. MAPES. It seems to me the gentleman is seeing things in this amendment that are not there. The purpose of the amendment is to make it unnecessary to convene the joint boards in cases of formal or routine matters. And certainly in any matter that is substantial the State boards are not going to waive their rights to pass upon it and render a decision.

Mr. RANKIN. The right is given to the members of these joint boards to waive the rights of the State and place it in the hands of the Interstate Commerce Commission, whereas the amendment offered by the gentleman from Michigan [Mr. MAPES] has reserved that right to the States.

Mr. DENISON. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. DENISON. The gentleman speaks as though the members of the joint boards were acting under State laws. The bill expressly provides that in the performance of their duties under this act they are acting as Federal agents.

Mr. RANKIN. I understand the members of the joint boards are chosen by the State boards, and if they refuse to act, if one says, "I do not want to act; I will waive the rights of the State of Iowa or the State of North Dakota or the State of Mississippi to the Interstate Commerce Commission," you are placing in that man's hands the power of transferring the rights of your State to Washington.

There is no need for the amendment. It is unnecessary. In my opinion, it is flaunting the will of the people of the various States.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from California [Mr. LEA].

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 108, noes 23.

So the amendment was agreed to.

The Clerk read as follows:

APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

SEC. 4. (a) No corporation or person shall operate as a common carrier by motor vehicle in interstate or foreign commerce on any public highway unless there is in force with respect to such carrier a certificate of public convenience and necessity authorizing such operation: *Provided*, That any common carrier by motor vehicle in operation on the date of the approval of this act may continue such operation for a period of 90 days thereafter without any such certificate, and if application for a certificate authorizing such operation is made to the commission within such period the carrier may, under such regulations as the commission may prescribe, continue such operation until otherwise ordered by the commission.

(b) Applications for certificates of public convenience and necessity shall be made in writing to the commission, be verified under oath, and be in such form and contain such information as the commission shall require.

Mr. MOORE of Virginia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Virginia: On page 10, at the beginning of line 11, after the word "certificate," substitute a period for the comma, and after the word "commission," at the end of line 15, add the following: "*Provided*, That it appears that the applicant was in bona fide operation as a common carrier over the route or between the termini described in the application at least one year prior to the passage of this act and since then, and at the time the application is made, has been continuously in operation."

So that the paragraph after the period shall read as follows:

"And if application for certificate authorizing such operation is made to the commission within such period the carrier may, under such regulations as the commission may prescribe, continue such operation until otherwise ordered by the commission: *Provided*, it appears that the applicant was in bona fide operation as a common carrier over the route or between the termini described in the application at least one year prior to the passage of this act and since then, and at the time the application is made, has been continuously in operation."

Mr. MOORE of Virginia. Mr. Chairman, the purpose is to set up a new system of regulation. Heretofore there has been no regulation of motor vehicles engaged in interstate commerce. The section to which my amendment has reference provides that when this bill, if it should become a law, goes into effect a preference shall be given to a carrier that is then actually operating over the route in question. That is what I believe has been talked of here as one of the grandfather clauses. It seems to me it would be better not to give any preference to anybody, but to allow all applicants to stand upon the same footing and then determine what certificates should be granted. That would be an observance of the old-fashioned doctrine to which we profess our adherence constantly of according equality of opportunity.

Mr. MAPES. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. MAPES. Some of us do not clearly understand the effect of the gentleman's amendment, and we do not understand just what relation it bears to the so-called grandfather provision. On page 11, lines 17, 18, and 19, we provide that preference shall be given to operators who have been in operation prior to January 1, 1930, and I wonder if the gentleman's amendment would not be more appropriate at that point.

Mr. MOORE of Virginia. But even so, I may say to the gentleman, that preference is given by this particular section. The section provides—

That any common carrier by motor vehicle in operation on the date of the approval of this act may continue such operation for a period of 90 days thereafter without any such certificate, and if application for a certificate authorizing such operation is made to the commission within such period the carrier may, under such regulations as the commission may prescribe, continue such operation until otherwise ordered by the commission.

Mr. MAPES. Section 5 gives the conditions which shall govern the commission in acting upon an application, whether a certificate shall be granted or denied, and instructs the commission to give certificates to those who have been in bona fide operation since January 1, 1930.

Mr. MOORE of Virginia. I shall offer an amendment to that section.

Mr. MAPES. Then the gentleman thinks that his amendment does not conflict with that section?

Mr. MOORE of Virginia. The amendment I propose does not supersede the importance of trying to amend correspondingly the section the gentleman has in mind.

Mr. HOCH. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. HOCH. Would it not be impossible under the gentleman's amendment for any carrier to operate after the passage of this act unless he had been in operation for a year? As I understand this particular section, the purpose was to provide that it would not be unlawful to operate without a certificate immediately upon the passage of the act, but to give some length of time within which an operator might apply for a certificate. I think that was the only purpose of section 4.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. HOCH. Mr. Chairman, I ask unanimous consent that the gentleman from Virginia may proceed for five additional minutes.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that the gentleman from Virginia may proceed for five additional minutes. Is there objection?

There was no objection.

Mr. DENISON. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. DENISON. The section just read contemplates that there are thousands of these motor-bus companies in operation. Obviously, it will take some time for them to file applications for certificates under the act. We do not want to require them to stop doing business, so we give a period of grace of 90 days in which they may make applications for certificates of convenience and necessity to operate as motor carriers. If they file these applications within 90 days, then, under such regulations as the commission shall prescribe, they may continue in operation until the commission can act upon their applications. That is all this section does. It merely takes care of those that are in operation now and allows them time within which to file their applications and have their applications passed on.

Mr. MOORE of Virginia. If this section is adopted then, under the section to which the gentleman from Michigan has referred, it would be the duty of the Interstate Commerce Commission to send out a questionnaire to ascertain the facts, but meanwhile the existing carrier has a preference.

Mr. DENISON. Certainly he has.

Mr. MOORE of Virginia. The carrier not already in operation but desiring to obtain a certificate is deferred to an indefinite time to have his application passed on, and meanwhile the carrier that is actually operating has the preference; in other words, there is an inference that the carrier that is operating at the time the act goes into effect is entitled to continue on the idea that he serves the public convenience better than any other carrier.

Mr. BURTNESS. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. BURTNESS. I would say not in so far as this particular section is concerned. The only purpose of this section is to permit him to operate until the Interstate Commerce Commission or the joint boards, as the case may be—but it would be the Interstate Commerce Commission for those who had been in operation before March 1, 1930—can pass upon their applications for certificates of convenience and necessity. That is all. This section simply permits a period of grace, not for the convenience of the bus operator particularly but in the interest of administration by the Interstate Commerce Commission, because it may not be able to pass upon all of the applications within 90 days, and that is the sole reason for the last clause in this paragraph.

Mr. MOORE of Virginia. But if the applicant is allowed to continue in operation, then he may be approved subsequently without any reference to joint boards.

Mr. BURTNESS. Not unless he was in operation prior to January 1, 1930.

Mr. MOORE of Virginia. That is exactly the point I have in mind and the point which I think ought to be considered, but that point is not covered by this section.

Mr. CULKIN. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. CULKIN. Is not the provision that there must have been bona fide operation on January 1, 1930, distinctively retroactive and, in the gentleman's opinion, improper in this legislation? In other words, if a bona fide concern went into operation before the enactment of this legislation, should they not have this preferred status?

Mr. MOORE of Virginia. I will tell the gentleman what the Interstate Commerce Commission says on that point, and my amendment follows the recommendation of the commission:

The law should provide that an applicant for a certificate of public convenience and necessity was in bona fide operation as a common carrier over the route or between the termini described in the application at least one year prior to the first day of the legislative session

in which such law is enacted, and since then and at the time application is made has been continuously in operation.

Mr. CULKIN. The gentleman would limit it, then, to one year?

Mr. MOORE of Virginia. I would limit it as the Interstate Commerce Commission limits it. As I understand the commission, the commission says the preference contemplated by this section should not be accorded to any carrier except a carrier that has been in operation continuously for at least one year.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. CULKIN. Mr. Chairman, I ask unanimous consent that the gentleman be given one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CULKIN. How about the concerns, if the gentleman from Virginia will permit, that have gone into business in good faith and have made investments subsequent to January 1, 1930, and are now in operation pursuant to the consent of the public service commissions in the various States; why should they be debarred from participation in this so-called grandfather clause, assuming they comply with all of paragraph (b).

Mr. MOORE of Virginia. I will say to the gentleman that objection is easily met. You can increase the period beyond 90 days. You have already provided for very summary proceedings. You have provided that one commissioner can handle the case of an application, or that an examiner may handle the case of an application, and if you think 90 days is not sufficient, you can extend the time beyond 90 days and obviate the very difficulty which the gentleman has in mind.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. MOORE of Virginia. Mr. Chairman, I ask unanimous consent that I may proceed for five minutes more, on account of the interruptions.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MERRITT. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. MERRITT. Is the gentleman prepared to stop at once every bus operation on the enactment of this bill?

Mr. MOORE of Virginia. I am not; and can not the gentleman avoid that by extending the 90-day period?

Mr. MERRITT. That is what this section does.

Mr. MOORE of Virginia. You can extend the period beyond 90 days, so as to give the commission more time to pass upon applications.

Mr. MERRITT. But the gentleman's amendment adds to our extension a proviso that in order to get the extension the line must have been in operation one year.

Mr. MOORE of Virginia. I take that from the Interstate Commerce Commission—that he is not to have any preference unless he has been in operation for one year, that operation for one year is to be taken as prima facie evidence in his favor. If he has not been in operation for a year, let his application be considered along with the other applications before the commission.

Mr. MERRITT. I think the gentleman will find from the facts that if any such provision were put in this section it would paralyze a large part of the business now going on in this country.

Mr. MOORE of Virginia. I do not think that, if you will frame your section in what seems to me, with great respect to the committee, a sensible way, by extending the time, if you so desire. On the contrary, if you allow this section to stand as it is written, you are going to give a preference to powerful carriers that, anticipating this legislation, have commenced operations, and then when the commission proceeds to act upon other applications, under your provision with respect to public convenience and necessity they will be denied the right to receive certificates.

Mr. GLOVER. Will the gentleman yield for a question?

Mr. MOORE of Virginia. Yes.

Mr. GLOVER. Carrying out further the gentleman's thought, I desire to call attention to section 5, on page 11, where the bill provides that where it is shown on the questionnaire—

That the applicant is fit and able properly to perform the service required, then a certificate shall be issued to the applicant by the commission without further proceedings.

Mr. MOORE of Virginia. Exactly. This is a noncompetitive bill in that respect and in this and some of its other features it makes for monopoly.

What is the existing condition? According to the Interstate Commerce Commission, the railroad carriers of the country have to a very large extent engaged in motor-vehicle operations on the highways and in this section and in the succeeding section there seems to be an effort made to give them priority over other applicants, and with the idea that other applicants may be refused because they can not show actual necessity for additional operations.

Mr. MAPES. Will the gentleman yield there?

Mr. MOORE of Virginia. Yes.

Mr. MAPES. It seems to me the gentleman is arguing the next section, the so-called grandfather clause, but whether that is true or not, would not the statement which the gentleman is making apply 10 years from now or 20 years from now just the same as it does now? The bus operator that is already in existence has the preference over the man who desires to come in. The man who desires to come in five years from now will have to make an application for a certificate of public convenience and necessity and he will be obliged to wait until he is granted a certificate before he can begin operation. Of course, during that time the other operator would go right ahead with his business.

This simply permits those already in existence prior to January 1 to continue until the commission has an opportunity to say whether they shall continue further or not.

Mr. MOORE of Virginia. Five years hence the law will have been in effect five years. The effort is to regulate at the outset in a way never heard of before. What you propose is to give a vested right to the carriers that are in actual operation at the time the law is put in force. If I understand the bill and the report of the Interstate Commerce Commission and much of the argument here, the result is going to be that applications will be precluded to a very large extent, in a very large per cent of cases, except those of carriers very largely controlled by railroad companies that were in operation at the time of the passage of the law.

Mr. HOCH. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. HOCH. Is it not true under the gentleman's amendment that if an operator had been in operation 11 months he could not operate for another day without violating the law?

Mr. MOORE of Virginia. Not at all. The section provides that he shall have the right to continue in operation 90 days.

Mr. HOCH. I understood that under the gentleman's amendment the carrier must have been in operation a year.

Mr. MOORE of Virginia. That is in accordance with the recommendation of the commission.

Mr. HOCH. That is the grandfather clause, but that is an entirely different matter.

Mr. MOORE of Virginia. It seems to me that the two sections link up together.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

The question is on the amendment.

The question was taken, and the amendment was rejected.

Mr. McSWAIN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 10, line 8, after the word "in" and before the word "operation," insert the word "legal."

Mr. McSWAIN. Mr. Chairman, this is so obviously just that I do not want to delay the committee.

Mr. DENISON. We will accept the amendment.

Mr. RAYBURN. Mr. Chairman, I do not accept it; I want the gentleman from South Carolina to explain his amendment.

Mr. McSWAIN. Mr. Chairman, the effect of this amendment is this: As soon as it shall be pretty well determined through the newspapers and in other ways that this bill is going to become a law, as soon as there is a reasonable anticipation that it will be law, there will be a lot of fly-by-night men start in the business who are not bona fide carriers. They will start without any authorization by a State commission; they will start running up and down, whether carrying passengers or not, for the purpose of being included and incorporated in and obtaining the benefit of this legislation.

Mr. BURTNESS. How does the gentleman's amendment help that situation?

Mr. McSWAIN. Because if they are not operating lawfully, if they are not operating under the authority by some State commission or some State board, then they could not, under my amendment, come in and get the benefit of the law. They would have to make application to the joint commission, the joint board, and show the advantages and the necessity and the benefits of their particular operation.

Mr. BURTNESS. Do I understand the gentleman correctly that he interprets the word "legal" as meaning that it must be a carrier who has been operating under a certificate of convenience and necessity issued by some State board or commission?

Mr. McSWAIN. No; I am cognizant of the decision of the Supreme Court of the United States; but every interstate carrier is the outgrowth of a route which was originally intrastate. If there shall start up one of these fly-by-night schemes for the mere purpose of securing benefits by this legislation, I do not think they ought to get a certificate without being able to make a showing of convenience and necessity. I think that the benefits from this act are going to be substantial.

Mr. HOCH. In the gentleman's amendment does he not mean by legal, bona fide?

Mr. McSWAIN. It may be, and I am glad to get a suggestion from the gentleman, who sees what I am after.

Mr. HOCH. Mr. Chairman, I see the force of the contention as to whether it is a bona fide operation, but certainly these people are not illegally operating. If they are, they can be taken off the roads now.

Mr. McSWAIN. Mr. Chairman, I think there is much in the gentleman's suggestion, and with the permission of the committee I ask unanimous consent to modify my amendment.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to modify his amendment in the manner indicated. Is there objection.

There was no objection.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Amendment offered by Mr. McSWAIN: Page 10, line 8, after the word "in" and before the word "operation" insert the words "bona fide."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. DENISON. Mr. Chairman, the purpose of this section is merely to permit those who are operating busses to continue to operate them if they wish to until the commission can act on their applications. If you insert the words "bona fide" at this place, then they will have to prove that they are in bona fide operation before they are operating legally. That is not the purpose of this section. I suggest to the gentleman that he withdraw his amendment and discuss that proposition in connection with the next section. That is where the question of bona fides is going to be discussed, and will have to be proven. It has no place in this section at all, because an operator would have to prove that he is conducting a bona fide operation before he can operate for the 90 days.

Mr. RAYBURN. Mr. Chairman, if such an amendment is to be offered, should it not come in the next section?

Mr. DENISON. Certainly.

Mr. RAYBURN. Where we have the grandfather clause and the question of continuous operation?

Mr. DENISON. Certainly.

Mr. BURTNESS. And where we have already prescribed that they must have been conducting a bona fide operation before the commission can grant them certificates of convenience.

Mr. McSWAIN. Mr. Chairman, I see that these gentlemen are in good faith trying to help me out of my difficulties. I ask unanimous consent to withdraw my amendment, and I shall offer it to the next section.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. PARKER. Mr. Chairman, I move that all debate upon this section, and all amendments thereto close in five minutes.

Mr. HUDDLESTON. Mr. Chairman, will the gentleman not confine his motion to the amendment?

Mr. PARKER. No.

Mr. HUDDLESTON. The gentleman allows 20 or 30 minutes of debate on a minor amendment and none on other amendments.

The CHAIRMAN. The question is on the motion of the gentleman from New York that all debate upon this section and all amendments thereto close in five minutes.

So the motion was agreed to.

Mr. JONES of Texas. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 10, line 15, after the word "commission," insert the following:

"Provided further, That it shall not be necessary to procure such a certificate in order to operate a common carrier by motor vehicle

wholly within any State, nor to operate an extension of any line where such extension is wholly within any State, if a certificate or permit for such purpose has been issued by the State commission or other duly constituted regulatory authority of the State affected."

Mr. MAPES. Mr. Chairman, I reserve the point against the amendment.

Mr. JONES of Texas. Mr. Chairman, I would like to have the gentleman make his point of order.

Mr. RANKIN. I demand the regular order on the point of order.

The CHAIRMAN. The regular order is demanded.

Mr. MAPES. Mr. Chairman, the amendment relates clearly to certificates issued in intrastate business. It seems to me that it is clearly out of order in this section, but I do not care to take up any time in argument of the point of order.

The CHAIRMAN. The Chair is ready to rule.

Mr. JONES of Texas. I do not care to be heard unless the Chair wants to hear from our side.

The CHAIRMAN. Section 4 of the bill deals entirely with interstate or foreign commerce. The gentleman's amendment deals entirely with intrastate commerce.

Mr. JONES of Texas. No; my amendment does not. The first part of my amendment refers to intrastate commerce and also an extension of interstate commerce.

The CHAIRMAN. And brings in a new subject which is not dealt with by the original text.

Mr. JONES of Texas. Not any more than the paragraph itself does. Mr. Chairman, section 4 requires the securing of a certificate of public convenience and necessity for extending an interstate line 10 miles within a State, and that part is covered by section 4. For instance, if a man is operating a line from Wichita, Kans., to Amarillo, Tex., and he desires to extend the operation 20 miles farther to Canyon, Tex., wholly within the State of Texas, he would have to secure a certificate of public convenience and necessity from the Interstate Commerce Commission in order to do so; and that is exactly what my amendment refers to. It provides that in extending a motor-vehicle line that is doing an interstate business it shall not be necessary to secure a certificate if it already has one from the State or can secure one from the State. In other words, this refers specifically to interstate and not intrastate business.

Mr. STAFFORD. Mr. Chairman, I have glanced over the bill since the amendment has been offered and I can find no other place where an amendment of this character would be more pertinent than in connection with this section. Then the question arises whether it is at all relevant to the subject matter under consideration. The bill under consideration is one of general character, and certainly the House should not be circumscribed, it should not be denied the right to legislate on a proposal such as that contained in the amendment offered by the gentleman from Texas. The House should have the right to determine the extent of this legislation. I can not find any other place in this bill where it would be more pertinent. I call on the sponsors of the bill to point out where this amendment could be more pertinently considered than in this section.

The CHAIRMAN. The Chair will hear the gentleman from Texas.

Mr. JONES of Texas. The Chair will notice that under section 4 any bus line operating or desiring to operate in interstate commerce must secure a certificate of public convenience and necessity. That runs all the way through the bill, linked up in every fashion. There is the necessity of securing that permit if you extend farther into a State forming an interstate bus line.

I am simply providing in my amendment that where only one State is affected, and maybe only a few miles extension is desired, it should not be necessary to come all the way up to the Interstate Commerce Commission to get a little extension when it can be gotten much more easily by going to the State commission.

The CHAIRMAN. The Chair is of opinion that section 4 contemplates dealing with interstate and foreign commerce only. In the opinion of the Chair, the question of germaneness is involved here. The amendment offered by the gentleman from Texas seeks to bring within this section the subject of intrastate commerce. The Chair does not think that where you have one subject dealing specifically with one class that you may add another specified class. It occurs to the Chair that interstate commerce is quite different from intrastate commerce, and, in the opinion of the Chair, the amendment is not germane. The Chair sustains the point of order.

Mr. JONES of Texas. Mr. Chairman, I have another amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 10, line 15, after the word "commission" insert the following: *Provided further*, That it shall not be necessary to procure such a certificate in order to operate an extension of any common carrier by motor vehicle where such extension is wholly within any State if a certificate or permit for such purpose has been issued by the State commission or other duly constituted regulatory authority of the State affected."

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. JONES].

The question was taken; and on a division (demanded by Mr. JONES of Texas) there were—ayes 35, noes 62.

So the amendment was rejected.

The Clerk read as follows:

ISSUANCE OF CERTIFICATE

SEC. 5. (a) Except as provided in subsection (b), a certificate of public convenience and necessity shall be issued to any applicant therefor, authorizing the whole or any part of the operations covered by the application, if it is found that the public convenience and necessity will be served by the operations authorized.

(b) If the corporation or person making application for a certificate of public convenience and necessity sets forth therein that it or any predecessor in interest was operating as a common carrier by motor vehicle in interstate or foreign commerce on any public highway on January 1, 1930, and claims the benefits of this subsection, the commission upon receipt of such application shall serve such carrier with a questionnaire in respect to the matters on which the commission may require information. The applicant shall answer the questionnaire within 45 days from the receipt thereof. A copy of all questionnaires and answers thereto shall be furnished by the commission to the board of every State in which any part of the operations of the carrier are conducted. If it appears from the answers to the questionnaire or from information otherwise furnished, (1) that the carrier or a predecessor in interest was in bona fide operation on January 1, 1930, as a common carrier by motor vehicle in interstate or foreign commerce on any public highway and (except as to seasonal service or interruption of operations over which the applicant or its predecessors in interest had no control) continuously has so operated since that date and (2) that such operations are bona fide for the purpose of furnishing reasonably continuous and adequate service at just and reasonable rates, and (3) that the applicant is fit and able properly to perform the service required, then a certificate shall be issued to the applicant by the commission without further proceedings; otherwise the question whether or not such facts appear shall be decided in accordance with the procedure provided in section 3 (including reference to a joint board in a proper case), and the certificate under this subsection shall be issued or denied accordingly.

(c) Nothing contained in section 500 of the transportation act, 1920, shall be construed as expressing a preference by Congress for rail or water transportation over transportation by motor vehicle or to affect in any manner the issuance of a certificate of public convenience and necessity under the provisions of this act; and nothing contained in this act shall be construed as a declaration by Congress of the relative importance to the public of the several kinds of transportation.

(d) No certificate of public convenience and necessity issued under this act shall be construed as conferring any proprietary or exclusive rights in the public highways.

(e) In the administration of this act, the commission shall, so far as is consistent with the public interest, preserve competition in service.

Mr. PARKER. Mr. Chairman, I offer an amendment which I have sent to the Clerk's desk.

The CHAIRMAN. The gentleman from New York, chairman of the committee, offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment by Mr. PARKER: Page 11, line 21, strike out the words "seasonal service or," and, on page 12, at the end of line 10, insert the following:

"For the purposes of this subsection a common carrier by motor vehicle furnishing seasonal service shall be deemed to qualify under clause (1) if such carrier or a predecessor in interest was in bona fide operation as a common carrier by motor vehicle in interstate or foreign commerce for the calendar year 1929 during the season ordinarily covered by its operations, and (except as to interruption of operations over which the applicant or its predecessors in interest had no control) has so operated continuously during each such season thereafter."

Mr. PARKER. Mr. Chairman, this amendment is simply to take care of the seasonal operations. There are many seasonal operations all through the Northeastern States. Busses start from the cities of New York and Boston and go up into the mountains, the White Mountains, over into the State of Ver-

mont, up to the Adirondacks and down through Pennsylvania to the various summer resort hotels, which are not located on railroads. This amendment extends to them the provision of the "grandfather" clause if those operators were in bona fide operation during the season of 1929.

That is all and exactly what the amendment covers.

Mr. RANKIN. Will the gentleman yield?

Mr. PARKER. I yield.

Mr. RANKIN. Why go back to 1929 if they are in operation now?

Mr. PARKER. They can not be in operation now, because they only operate in the summer time.

Mr. RANKIN. I understand that is true in New England, but that does not cover the entire country. I happen to live in a section of the country where they can operate practically any time of the year.

Mr. PARKER. I might ask the gentleman if he has any service like that?

Mr. RANKIN. Certainly.

Mr. PARKER. If the gentleman will draw an amendment, I will accept it.

Mr. RANKIN. No, no. If I draw an amendment, it is defeated.

Mr. DENISON. Will the gentleman yield?

Mr. PARKER. I yield.

Mr. DENISON. This amendment applies to any seasonal operations in any part of the country.

Mr. RANKIN. I understand; but if you are going to make that amendment, why go back to 1929?

Mr. PARKER. Where would the gentleman go?

Mr. RANKIN. Go to the date of the passage of the bill.

Mr. PARKER. I would like to state to the gentleman that the busses to which I refer stopped operation last September and they have not operated since.

Mr. RANKIN. I understand they stopped up in that country.

Mr. PARKER. It does not affect operations in the gentleman's State. If there were operations proceeding in 1929, those operations will come under the provisions of this bill, the same as in our part of the country.

Mr. BURTNESS. Will the gentleman yield?

Mr. PARKER. I yield.

Mr. BURTNESS. If they were in operation on January 1, 1930, they will also be included, because they are in operation in the wintertime.

Mr. RANKIN. I fear the gentleman from North Dakota does not understand what I am driving at, and I am afraid the gentleman from New York [Mr. PARKER] does not understand. These seasonal busses are operated not because it happens to thaw out in that section of the country, but for other reasons.

Mr. PARKER. Certainly. They operate when the hotels are open. There is no question about that.

Mr. RANKIN. There could be no harm in amending the gentleman's amendment to strike out "1929" and insert "at the time of the passage of the bill." That would include those which have begun to operate since the 1st of January.

Mr. PARKER. But they are not operating now, and they will not begin to operate until the 1st of June.

Mr. RANKIN. I know they are not, up in that country, and I do not blame them.

Mr. PARKER. They can not get through.

Mr. RANKIN. I understand they can not, but that is not the entire country. There are other sections of the country that have seasonal busses, which operate at various times of the year. For instance, at the Easter season—and you will not get this bill passed by Easter at the rate at which the House and Senate are proceeding—around the Easter season or the spring season there is a vast difference between New England and the South.

Mr. PARKER. I only yielded for a question. I only have a few minutes.

Mr. RANKIN. I was trying to show the reason for my contention. If this provision is put in at all, it would be just and fair to amend it so as to change it to the time of the passage of the bill.

Mr. PARKER. But I want to call the gentleman's attention to the fact that if we put the date in as the gentleman desires it it would shut out every one of the people that I have in mind.

Mr. HASTINGS. Will the gentleman yield?

Mr. PARKER. I yield.

Mr. HASTINGS. It would not include your seasonal service of last year if you do it the way the gentleman desires?

Mr. PARKER. No; it would not.

Mr. HASTINGS. And therefore the amendment is absolutely necessary to cover it.

Mr. PARKER. Yes. If the gentleman can suggest any amendment to take care of this seasonal service, as far as I am concerned I will accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. PARKER].

The amendment was agreed to.

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Alabama [Mr. OLIVER] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: Page 12, line 25, after the word "service," strike out the period and insert in lieu thereof the following:

"Provided, however, That if it appears at any time that motor-vehicle service in interstate or foreign commerce on any public highway is alone carried on by a railroad company, or alone by persons or corporations owning an interest in a railroad company, the commission shall give consideration to the issuance of a further certificate to a common carrier by motor vehicle on such highway, if applied for by any person or corporation not interested in a railroad company and shown to be qualified to meet the rules, requirements, and conditions fixed by the commission for such service."

Mr. OLIVER of Alabama. I would like to ask the chairman this question: You have indicated that you are not opposed to the purpose of this amendment?

Mr. PARKER. Yes.

Mr. OLIVER of Alabama. And may I ask whether the committee is willing to accept it?

Mr. PARKER. I will say to the gentleman that personally I shall not object, but, of course, I can not speak for the committee.

Mr. OLIVER of Alabama. I have offered this amendment after consulting different members of the committee, because I feel it really expresses the purpose of the Congress, and especially that provision of the bill which declares a purpose to preserve competition. This amendment is so drawn that if at any time it shall appear that service between States is alone operated by a railroad company or by any person or corporation interested in a railroad company, that then the commission shall give consideration to the application for a further permit on such highway, if the party making application is not interested in a railroad company and can meet the rules and requirements of the commission.

Mr. HOCH. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. HOCH. I am not at all out of sympathy with what I think the gentleman is trying to accomplish. However, there is one clause in the amendment—if I heard it correctly—about which I am doubtful. I understood the amendment to read anyone having any interest in a railroad company, and not simply a controlling interest—what about a person who happened to own one share of stock in some railroad company somewhere, even though it were not a competing railroad?

Mr. OLIVER of Alabama. I have drawn the amendment in this form so that parties without large means might not find it impossible to meet the form of procedure required, and to simplify what must be averred in the application for a certificate, if the motor service at any time is alone operated by those interested in a railroad company.

I was interested in the statement the committee made some time ago, when it secured an appropriation that it might consider consolidation legislation as affected by holding companies. This amendment is in line with the purpose the committee declared in reference to bus-line service over highways. No Member of this House wants a railroad company to have sole control of any bus-line service. It is easy for railroads to so distribute their interests that they often are in control, when it is impossible to show that they have a controlling interest. I drew the amendment so that we might give to the public full assurance that if it appears at any time that a railroad company, or those interested in a railroad company, are alone operating bus-line service over a public highway, that then the commission shall give consideration to the issuance of a further certificate to a party qualified to meet the commission requirements, and who is not interested in a railroad company.

Mr. DENISON. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. DENISON. If the gentleman's amendment would stop there, there would be no particular objection to it; but it says not merely if a bus line is owned by a railroad company but if it is owned by any person or corporation owning any interest in a railroad company. That would exclude any person who owns a share of stock or a bond in a railroad company. It may be in California and they may be operating a bus line in Virginia.

Why should the fact that a man owns a few bonds in a railroad company in a different part of the country, where there is no competition, place him in the class of an outlaw?

Mr. OLIVER of Alabama. The question is an entirely pertinent one except the latter part of it. There is nothing in the amendment or nothing in what I have said to indicate that he is an outlaw. I have only said that where those facts appear the commission shall give consideration to the issuance of a further certificate. There can be no serious hurt if you make it possible for a party to prepare his pleadings, if you please, in such way as to get his application before the commission.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent that the gentleman from Alabama may proceed for two additional minutes.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent that the gentleman from Alabama may proceed for two additional minutes. Is there objection?

There was no objection.

Mr. BURTNESS. Regardless of the merits of this amendment, I would like to know why the gentleman proposes to add it to and make it a part of paragraph (e), which is a general paragraph stating that the commission shall, so far as consistent with public interest, preserve competition. My point is this: The gentleman's amendment really qualifies and weakens that paragraph rather than supplements it, and it strikes me that it would be much better draftsmanship if the gentleman would simply add his amendment as a new subparagraph (f) and keep it away from the specific general mandate given to the commission to preserve competition.

Mr. OLIVER of Alabama. I am very glad to have that expression from the gentleman, because it shows an absence of antagonism to the amendment. I will say that I prepared this amendment several days ago and submitted it to the chairman and other members of the committee. I found that the members of the committee with whom I discussed it were not unfriendly to it, and I was led to prepare and offer it at this place for the reason that I understood you had after mature consideration adopted the three preceding lines which preserve competition. This is nothing more nor less than a legislative declaration of the kind of competition you desire to preserve. We are not interested to preserve competition between railroads and railroad interests, but we desire to preserve a common carrier certificate for some one not interested in a railroad company and who can furnish competition for bus service operated by railroad interests.

Mr. BURTNESS. But it seems to me the gentleman's proposed amendment added there qualifies and weakens the general statement with reference to competition.

Mr. OLIVER of Alabama. I think it clarifies, supplements, and makes plain to the commission what, at least, is the desire of Congress—that they not give an exclusive privilege at any time to a railroad company or to those interested in a railroad company.

Mr. DENISON. Mr. Chairman, I rise in opposition to the amendment, but I do this more to give me an opportunity to submit to the gentleman from Alabama [Mr. OLIVER] that the suggestion made by the gentleman from North Dakota is a proper one. If the gentleman would merely strike out the word "provided" and offer the amendment as a new paragraph—

Mr. BURTNESS. Or even as a new sentence.

Mr. OLIVER of Alabama. I am perfectly willing to do that.

Mr. DENISON. I think that would put the bill, if the amendment is to be adopted, in much better form.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent to strike out the word "provided" and offer the amendment as amended as paragraph (f).

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to amend the amendment in the manner indicated. Is there objection?

There was no objection.

The Clerk reported the amendment as amended.

Mr. DENISON. Mr. Chairman, of course, this amendment merely provides that under the circumstances mentioned in it the commission shall give consideration to the application of another party seeking a certificate of convenience and necessity. If I understand the bill at all, and if I understand the duties of the commission, they would do this anyway. Of course, if there are any Members here who can get any satisfaction out of putting in a provision saying they shall give consideration to such an application when, as a matter of fact, it would be the duty of the commission to do so anyway, I have no particular objection to it.

I do think the amendment ought to be changed so as to read a "substantial" interest, or something of that kind. It is very

general in its language and provides that if a person owning or operating a motor-vehicle company on a highway owns any interest, however small or infinitesimal, in any railroad company in any part of the United States, the commission shall give consideration to any other application. Of course, they would do that anyway; and, so far as I am concerned, I do not care about it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. OLIVER].

The amendment was agreed to.

Mr. CULKIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CULKIN: On page 11, line 7, strike out the word "January" and insert in lieu thereof the word "March"; and the same amendment in line 19.

Mr. CULKIN. Mr. Chairman, ladies and gentlemen of the committee, may I say at the outset I have no desire to materially amend this very splendid bill. I think this bill is distinctly a step in advance and proper regulation of a growing business. The parts I seek to amend provide that this law shall go into effect to all intents and purposes on January 1, 1930. In other words, gentlemen, this law is definitely retroactive, and that usually offends the intelligence and sense of justice that should obtain in a legislator.

The country is big, and a great many concerns have gone into this rapidly developing business since January 1 of the present year, but the committee by this provision says that the concerns and the men who have invested their money in this business since January 1, 1930, shall have no place in the sun. They, ladies and gentlemen, are to be left to the matter of application, determination, and long hearing before a public-service commission, as set out in the bill as amended.

I want to give you a definite and concrete illustration of this situation called to my attention by some of my colleagues.

I have here a telegram addressed to Congressman BOLTON, of Ohio. It comes from the president of the Great Eastern Stages (Inc.), as I understand it, an Ohio corporation.

This concern has made large disbursements for terminals, for busses, and for public liability during the present year. Their financial engagements aggregate something over \$500,000. They are operating between Toledo and New York. This bill, if it goes into effect, puts them completely at the mercy of the Interstate Commerce Commission or the other body created by this bill. In other words, it leaves them in litigation. Their credit is gone, their status is destroyed; and if this is true of this concern, it is true of a number of others, possibly numbering many hundreds, throughout the whole of the United States.

I trust, gentlemen, that this amendment, in justice and equity, shall here prevail, and I ask your support of it.

Mr. Chairman, I ask unanimous consent to extend my remarks by inserting the telegram referred to.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The telegram is as follows:

CLEVELAND, OHIO.

Congressman CHESTER C. BOLTON,
Washington, D. C.:

Company capitalization \$250,000, busses contracted for this year 30, 15 delivered and must accept balance by June 1. Total obligation for these coaches \$360,000. This equipment being built by White Co., Cleveland. Over 100 agencies established and terminal lease obligations in Chicago, Detroit, Toledo, Cleveland, Buffalo, Scranton, Philadelphia, and New York, which are binding for terms of lease. Average 100 passengers per day this time of year. Fifty people employed, more to follow. Obligation for leases \$100,000, office, garage, stock parts, and supplies, \$20,000, prepaid licenses and insurance \$20,000 already expended for 1930. Formation of company early in January, began partial operation February 15, full operation March 1. Committee acting on bill very secretly at time of formation of company, which was organized in good faith and usual obligations assumed. Passage of bill dated March 1 acceptable.

PAUL K. WADSWORTH,
President Great Eastern Stages (Inc.).

Mr. MEAD. Mr. Chairman, I move to strike out the last word. Mr. Chairman, a few days ago when this legislation was considered in the House under general debate, I urged the adoption of the amendment which has been proposed by my colleague from New York [Mr. CULKIN], and I rise at this time to reiterate the statement I made on that occasion. In my judgment it will be an injustice to the bona fide interests now engaged in this method of transportation, and if this amendment is not adopted it will increase the opposition to this measure from a

delegation in this House that is in favor of the bill and would like to support it.

As I said a few days ago, I favor the general principle involved in the legislation. I recognize the fairness with which the committee has given consideration to the amendments offered by gentlemen in the House and I do hope this amendment offered by Mr. CULKIN will carry. I desire to urge on the part of the chairman and the committee the acceptance of this just amendment.

The amendment gives the benefit of the provisions of this subsection to corporations or persons making application for a certificate of public convenience and necessity, providing they were operating as a common carrier by motor vehicle in interstate or foreign commerce on any public highway on March 1, 1930, instead of January 1, 1930, the language now carried in the bill.

Mr. MOONEY. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Ohio is recognized for five minutes.

Mr. PARKER. I will say to the gentleman that I am going to accept the amendment.

Mr. MOONEY. Mr. Chairman, I want to suggest that while I do not know how many companies are affected by the date of January 1, I know that in my own district there is one vitally affected. I know something of the service this company gives and the personality of their employees, the large investments that are affected. I want to express my appreciation of the chairman of the committee for accepting an amendment that to me is very important. I am going to ask the Clerk to read the telegram which I have just received this morning.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

CLEVELAND, OHIO, March 20, 1930.

Congressman CHARLES A. MOONEY,

Washington, D. C.:

Company capitalization, \$250,000; busses contracted for this year, 30; 15 delivered and must accept balance by June 1; total obligation for these coaches, \$360,000. This equipment being built by White Co., Cleveland. Over 100 agencies established, and terminal lease obligations in Chicago, Detroit, Toledo, Cleveland, Buffalo, Scranton, Philadelphia, and New York, which are binding for terms of lease. Average 100 passengers per day this time of year. Fifty people employed; more to follow. Obligations for leases, \$100,000; office, garage, stock parts, and supplies, \$20,000; prepaid licenses and insurance, \$20,000 already expended for 1930. Formation of company early in January; began partial operation February 15; full operation March 1. Committee acting on bill very secretly at time of formation of company, which was organized in good faith and usual obligations assumed. Passage of bill dated March 1 acceptable.

PAUL K. WADSWORTH,
President Great Eastern Stages (Inc.).

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. CULKIN].

The question was taken, and the amendment was agreed to.

Mr. HARE. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

On page 12, line 10, after the amendment already agreed to, insert:

"Provided, That no certificate of public convenience or necessity shall be issued, transferable, or assignable to a competing carrier engaged in a different system of transportation, or to any person or corporation owning stock or financially interested, directly or indirectly, in the operation of interstate transportation other than that provided for in such certificate."

Mr. MAPES. Mr. Chairman, I make the point of order that the amendment is not germane at this place. The consolidation provision is on page 15, section 9.

Mr. HARE. I think it should come in at this place.

Mr. MAPES. It would come more appropriately, it seems to me, at the top of page 16 than at this place. However, Mr. Chairman, in order to save time I will withdraw the point of order.

The CHAIRMAN. The Chair is of the opinion that it is in order. The point of order is withdrawn, and the gentleman will proceed.

Mr. HARE. Mr. Chairman, I offer the following amendment:

On page 12, line 10, after the amendment already agreed to, insert:

"Provided, That no certificate of public convenience or necessity shall be issued, transferable, or assignable to a competing carrier engaged in a different system of transportation, or to any person or corporation owning stock or financially interested, directly or indirectly, in the operation of interstate transportation other than that provided for in such certificate."

It has been stated and reiterated several times during this debate that this bill is a railroad bill. On the contrary, it has been urged and insisted upon by many that the charges are without foundation and that the bill is designed primarily in the interest of the public. I think this amendment will apply the acid test to the situation, for if it is understood and known by the proponents of the bill that it will not operate for the benefit and special advantage of the railroads, should it become a law, then there should be no objection to having the amendment incorporated in the bill.

I am not prepared at this time to say that the bill is sponsored primarily by the railroads or that it is designed for their special benefit or protection, but as a jury is generally supposed to be governed by the evidence in the case I think it might be well for us to inquire in more or less detail as to what is the real evidence in support of the bill. In the first place our attention has been directed to an investigation inaugurated by the Interstate Commerce Commission in 1926, the result of the investigation having been submitted by the commission in a report as of April 10, 1928, the same being known as report No. 18300. It is my understanding that upward of 400 witnesses testified and more than 5,000 pages of testimony taken.

One of the first things to attract attention is a finding of the commission reported on page 697 of the report which reads as follows:

Steam railroads and electric railways had entered into the field of motor transportation either directly or through subsidiaries as supplementary to their rail operations; a number of railroads had filed applications with us for permission to abandon portions of their lines, alleging as one of the reasons, loss of passenger or freight revenues by reason of motor-bus or motor-truck competition.

Considering these matters, as well as the rapidly increasing importance of motor transport, we on June 15, 1926, entered upon an investigation on our own motion into and concerning the general question of the operation of motor busses and motor trucks, by, or in connection or competition with, common carriers subject to the interstate commerce act.

It would appear from these statements that the initial action on the part of the commission to secure evidence used in support of the bill was inspired or suggested by the action or actions of the railroads. Of course, this is not conclusive, but it is the only reasonable and logical deduction.

We go a little further and note on page 700 of the report that the commission finds as one of the results of the investigation the following:

A classification of the bus-route mileage of these States in relation to railroad lines indicates that 41 per cent of the mileage is directly competitive with rail lines; that is, parallels rail lines between the same termini; 28 per cent is indirectly competitive.

In other words, the commission found that 69 per cent of the bus-route mileage is either directly or indirectly competitive with rail lines, a fact which would naturally command the attention of the railroads; and it is not surprising that they would be very much interested in legislation that would prevent any further competition between motor-bus transportation and rail transportation. It is not conclusive, of course, that the railroads are sponsoring this legislation, but the evidence is sufficient to justify the conclusion that if they are not taking a vital interest in the proposed legislation they are not living up to their well-known reputation.

We read a little further in the report and see where the commission reports some of its findings of facts:

Transportation of livestock to terminal markets has always been a matter of concern to farmers, more especially to those who raise livestock on a relatively small scale as a part of regular farm operations. When dependent on rail service, the farmer could only ship at times when there was enough stock available to make a carload. Now, through the use of the radio, he gets market quotations daily and can load his stock into a motor truck and drive to market, arriving there in about the same time ordinarily required to reach a railroad shipping point were he shipping by rail, with a saving of about 18 to 36 hours in the time of transit.

In 1925, as shown by the report, 3,333,000 head of hogs were motor trucked to 15 of the principal markets in the United States, being almost 11 per cent of the total receipts. Six per cent of the sheep, more than 12 per cent of the calves, and 4.5 per cent of the cattle received at these 15 markets were hauled by motor truck.

Judging from the volume of evidence submitted by the railroads and the trouble they went to in an effort to show the decrease in their revenues on account of motor-bus and motor-truck competition, they must have been exceedingly interested when the evidence was being gathered in support of the bill. The commission really emphasizes this point on page 721 when it says:

Much of the evidence of the railroads related to the loss of traffic following the advent of motor-vehicle transportation, particularly since 1920.

During the period from 1920 to 1926, inclusive, the number of passengers carried by the class 1 steam railroads in the United States decreased from 1,234,862,048 in 1920 to 860,343,019 in 1926, or 30.33 per cent.

The report points out that one railroad alone—

Estimated a revenue loss of \$3,327,852 per year due to motor-bus competition.

Referring to the evidence submitted by the railroads as to the decrease of traffic in less-than-carload shipments, the commission says:

A large volume of short-haul less-than-carload traffic formerly handled by the steam railroads now moves in motor truck. In 1920 class 1 steam railways handled 89,901,495 tons of less-than-carload freight. In 1926 it dropped to 68,296,686 tons, a decrease of 24.03 per cent. The carload freight handled by those carriers increased from 64,439,482 carloads in 1920 to 71,060,904 in 1926, or an increase of 10.28 per cent.

According to the commission's report, one railroad showed 14 per cent decrease in freight traffic handled in less-than-carload lots during the period from 1921 to 1925, and another road showed a decrease of 34 per cent from 1917 to 1925. The commission in its report attributes this reduction in freight revenues to the operation of the motor truck when it says:

The reduction in less-than-carload tonnage was generally attributed to motor-truck competition.

So it appears to me that, in view of these facts and findings, it is not surprising that the railroads are primarily interested in this legislation and it is logical to assume that they are vitally interested in the provisions of this bill. But we will go a little further and examine some of the evidence reported in the hearings before the committee on January 8 and 9, 1930. On page 22 we find Mr. Pride quoting Mr. Thomas H. MacDonald, Chief of the United States Bureau of Public Roads—and let me say at this point that by reason of his position and his intimate contact with the highways systems throughout the United States Mr. MacDonald should be in a position to speak with authority as to who is primarily and vitally interested in using the public highways of the various States in interstate transportation. Mr. MacDonald is quoted as saying:

There are two aspects to the demands for Federal laws and regulations governing the utilization of the highways in interstate motor-vehicle operation which deserve scrutiny. The first is this: The principal demands for such laws are emanating from those in control of other types of transport. The second comes from operators of motor transport themselves. But the object in both cases is to limit and control competition.

Mr. Chairman, I will not go as far as some have suggested and say that this is a railroad bill, but in view of the evidence referred to I am convinced that if this bill passes as introduced it will mean that the railroad companies of this country will have a complete monopoly of the interstate transportation over our public highways within less than five years, for there is nothing in the bill so far that will prevent them from becoming absolute owners of every certificate of convenience and necessity issued by the Interstate Commerce Commission within the period suggested. Of course, the Interstate Commerce Commission may have the right to determine who shall receive these certificates, but in the light of the commission's history there is no doubt but what these certificates will be issued or transfer permitted to the railroads. Note what the commission says in its report on page 738:

No preference as a matter of right or law should be given to an established transportation agency where it is a question of furnishing a different kind of service. In determining the matter the regulatory body can and should give reasonable consideration to the financial responsibility, organization, and experience of an existing transportation agency and its ability to supply adequate and permanent service.

Now, suppose a railroad, "an existing transportation agency," with "financial responsibility, organization, and experience," should file an application for a certificate to engage in interstate commerce on a highway between station A and station B, and suppose a reliable, substantial business man should, at the same time, make application for a certificate permitting him to engage in interstate commerce on the highway between A and B, could there be any doubt in the mind of any one, in view of the above statement of the commission, as to which one of the applicants would receive the certificate?

Not in the least; and it is this situation that induces me to offer this amendment. If we were absolutely certain that the railroads would not obtain an absolute monopoly of the motor-

bus business, and if the States were given more regulatory power in their operation, most of the opposition would be dissipated, but in view of the present transportation situation and what we consider as excessive traffic rates there is sufficient reason to be exceedingly apprehensive as to what would happen if this bill should pass in its present form. There is little doubt in my mind, with the power vested in the Interstate Commerce Commission by this bill coupled with the interest already manifested by the railroads, but what the railroads will have complete control of the interstate motor-bus transportation within the next few years, and there will be no possible chance whatsoever to secure any relief from passenger or freight rates, and if we pass the bill it will only be a year or so before there will be a demand on the part of the railroads to get possession of the exclusive right to carry freight on the public highways by interstate motor-truck transportation. If we will insert this amendment, there will be an opportunity for legitimate and wholesome competition between the bus lines and railroads, and the public may expect some relief from excessive transportation rates. Otherwise there will be no relief.

In this connection, I again call attention to the report of the Interstate Commerce Commission on page 725 when it refers to where one railroad company, in making several experiments in an effort to regain business, obtained permission from the State railroad commission to reduce its rates 50 per cent on hauls not exceeding 50 miles. The result of this experiment was that the competing trucks were practically all driven out of business. When the results were tabulated it was found that the railroad made no profit out of the business carried at the reduced rates, but we note that the report does not show where any losses were sustained. It is reasonable to conclude, therefore, that this particular railroad may have reduced its rates 25 or 30 per cent and continued to operate at a substantial profit. If there were some competition in business rates would certainly be lower, transportation companies would continue to operate at a profit, and the public would receive some little relief, but if this bill passes in its present form I can see no relief whatsoever from excessive transportation charges. Right now, as I understand, the railroads in my section are planning to petition the Interstate Commerce Commission for a 50 per cent increase in freight rates on car-lot shipments on watermelons from Georgia and South Carolina. I received in to-day's mail a letter from a melon grower in my district urging that I appear before the commission and try and prevent the increase. Of course, this bill makes no provision to regulate freight traffic by interstate motor truck, but, as I have already said, it will only be a few years, when the railroads get complete control of the interstate passenger traffic by interstate motor bus, before a demand will be made for similar legislation with references to freight-carrying motor truck.

I was hopeful that the committee in reporting this bill would leave some of the regulatory powers exclusively with the railroad commission or utility commissions of the various States, for this particular legislation is extremely unusual and I apprehend that sooner or later there will be decided dissatisfaction in the States on account of the failure of this bill to concede to the States a greater voice in the administration of the law. When the Federal Government undertakes to assume a jurisdiction of any kind over a public highway, which is exclusively a State agency, difficult problems are certain to arise. Of course, there can be no doubt as to the exclusive right of Congress to enact appropriate legislation regulating interstate commerce, but, to my mind, there is some doubt as to whether the Federal Government can appropriate the use of a highway constructed and maintained exclusively by a State or a county therein for such purposes. It has been suggested several times in these discussions that Congress can not in any way concede the States the right to regulate interstate transportation on public highways by motor vehicle for the reason that the Constitution gives Congress the exclusive right to regulate commerce. I am thoroughly aware of this fact and recognize fully the force of this argument, but the Constitution also gives Congress the exclusive right to establish and maintain post roads but so far it has elected to leave it entirely with the States to establish and maintain the roads for postal service, excepting, of course, the contributions made in recent years by the Federal Government.

As a matter of fact, the Government in many cases has required, as a condition precedent, that the States establish and maintain roads in a certain condition before it would inaugurate postal services thereon. The question, therefore, naturally arises whether the Federal Government may not, as a condition precedent, require a State to maintain a highway in a certain condition before issuing a certificate permitting the holder thereof to operate an interstate motor vehicle on such highway, which would be equivalent to forcing or coercing the State to

go to the expense of maintaining a highway to accommodate a traffic under the control and exclusive jurisdiction of the Federal Government. This may not occur. We hope it will not, but if such a condition should arise and it is found that the railroads are in complete control of all of the interstate bus lines it will then be too late to say that this amendment should have been adopted.

Mr. Chairman, as I said at the outset the purpose of this amendment is to make definite, certain, and clear, that it will not become a railroad bill, and at the same time preserve free, fair, and wholesome competition between common carriers. It is generally conceded that we are in need of some kind of legislation to regulate interstate commerce by motor vehicle, but I am inclined to agree with the Interstate Commerce Commission in its report when it says that the initial legislation should be limited and not in too great detail. The commission in its report on page 746 says:

The problem of regulating motor-vehicle operations in interstate commerce is a comparatively new one, and it is too early to attempt regulation in too great detail.

I am impressed also with the statement of Commissioner Woodlock on page 750 of the report, where he says:

I concur in this report with reservations. Regulation is not in itself a good thing. The less regulation that is necessary, other things being equal, the better for the community. It is necessary in the case of public service utilities because of their monopolistic nature. Transportation in general is not per se of such nature; transportation by railroad is. Transportation by motor bus and motor truck does not necessarily depend upon monopolistic or semimonopolistic organization or performance. It is manifest that at the present time these services are much more largely of a competitive than of a monopolistic nature. For that reason the need for regulation, except in so far as concerns the public safety, is not wholly clear. This being so, regulation should proceed with caution and only in response to demonstrated needs. The great complexity of modern life has already compelled the centering of enormous power in regulatory bodies such as this commission. I do not view with satisfaction extension of the province in which that power is exercised, save under clearly demonstrated necessity for such extension. "Hasten slowly," it seems to me, is the only safe policy to be followed in matters such as those dealt with in this report. Let experience teach us.

This bill is unusually ambitious. It is endeavoring to regulate commerce over an agency in detail, and the great fear expressed on the floor of the House for the last week since the bill has been under consideration is that the railroad transportation companies will obtain a monopoly of the interstate motor-vehicle traffic on the public highways. I think I am voicing the sentiment of many Members who would like to see legislation of this kind enacted when I say that they are apprehensive as to what will be the result under the provisions of this bill as it now stands.

Understand that my amendment does not in any way destroy the purpose of this legislation, and it does not in any way attempt to interfere with the Interstate Commerce Commission in the discharge of its usual functions. It attempts only to say, for example, that, if I am operating a railroad, I shall not be eligible to secure a certificate of public convenience and necessity in preference to some other party or concern engaged in motor-vehicle transportation as a common carrier on a public highway. That is the sum and substance of this amendment. It precludes on its face the possibility of the Interstate Commerce Commission or any of the joint boards exercising the right to issue to a transportation company, a railroad company operating otherwise than upon highways, a certificate as provided for in this bill. If this is not to be a railroad bill, let us come forth and say so, let us make it definite, let us make it clear, so that the public may know who is going to operate these transportation lines.

Mr. LEA of California. Mr. Chairman, will the gentleman yield?

Mr. HARE. Yes.

Mr. LEA of California. Do I understand your amendment, if adopted, would prevent a railroad company from owning all bus lines that run along parallel lines?

Mr. HARE. Yes, it would prevent any railroad company from receiving a certificate giving it the exclusive right to operate bus lines over public highways.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. HARE. Yes.

Mr. TREADWAY. Let me illustrate what I understand to be the gentleman's point in regard to a bus line in my immediate vicinity. My home is about 140 miles from New York. The New York, New Haven & Hartford Railroad Co. provides railroad facilities between New York and western Massachu-

setts, but about two years ago it inaugurated a very fine bus line, not in competition with anyone, but simply to increase bus facilities in that section. I take it that the gentleman's amendment would prevent the New Haven Railroad Co. continuing that excellent service that it has been giving the residents of western Massachusetts and visitors to that region?

Mr. HARE. Not entirely. Let me read from the amendment—

That no certificate of public convenience or necessity shall be issued, transferable or assignable, to a competing carrier engaged—

And so forth.

So in this case the gentleman's illustration would not apply at all, for, according to this statement, there is no "competing" carrier.

Mr. TREADWAY. The gentleman means by a competing railroad line some other railroad line coming in there and getting a right of way.

Mr. HARE. Not exactly. Here is my idea: Suppose an application is filed by an operator of a motor bus for a certificate to operate from station A to station B over a public highway; suppose it is in competition with a railroad and the railroad company also files application; or suppose an application is filed by a person or corporation operating some other system of interstate transportation, the Interstate Commerce Commission, under this amendment, would not be permitted to issue a certificate to either of the latter two applicants. The point is that if we are going to give exclusive right to operate over this new agency—the public highways—in interstate transportation, and if we expect to keep competitive operations in force, we must necessarily preclude the persons who own these competing lines of operation from receiving the certificate, because, if we do not, then within less than a period of five years all of these transportation lines on the public highways will be owned and operated by the railroads.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. ESTEP. Mr. Chairman, I ask unanimous consent that the gentleman may have one additional minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ESTEP. Mr. Chairman, as I understand it, if there were an independent bus line at the present time running from, say, Pittsburgh to New York, along the same route that the Pennsylvania Railroad Co. takes, the gentleman's amendment would prevent the Pennsylvania Railroad Co. from ever purchasing that independent or competing bus line or having it assigned to them, and then getting a permit or certificate.

Mr. HARE. The gentleman from Pennsylvania is exactly correct.

Mr. ESTEP. Is that the real crux of it?

Mr. HARE. Yes; because your independent line now would be a competitor of the railroad, but if we permitted the railroad company to purchase independent lines, there would be no competition whatsoever.

Mr. ESTEP. It prevents the Pennsylvania Railroad Co. from purchasing, but would not prevent the bus line from selling to some other company that was independent of the railroad competing line.

Mr. HARE. No.

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

Mr. LEA of California. Mr. Chairman, this amendment involves a very important question of policy in reference to bus legislation. There is no problem presented by this bill that has caused me more concern as to what is the duty of our committee than the question of what we should do as to restricting the operation by railroad companies of bus lines running parallel with their own lines. We have had a great deal of experience in my State along this line. Every phase of this problem has been presented to us. Perhaps that is one reason why I feel the importance of the problem. I think there are some things we must recognize with reference to this question. One thing is that there are many routes in which it is not practical to have more than one bus operator. Out in our State we have many lines of that kind. In many of those lines no one complains about one operator being given the exclusive privilege over those particular routes. The public recognizes that it is not going to get good service with any more than one operator on those particular routes.

Many small communities are given bus service that had no regular transportation service for the public before the bus developed. Therefore in any sensible regulatory measure we must authorize the commission in many cases to give an exclusive privilege to a regular operator.

Another thing that we must recognize is this: There are many routes that justify two or more operators. We recognize that principle on page 12 in subdivision (e). You recognized it to-day when you adopted the Oliver amendment. In other words, there is a value to the public in competition that we can not lightly disregard, and when we grant consolidation of bus lines with railroad lines we must retain, so far as the public interests will permit, the value of competition, especially as between the great centers of population in the United States.

This bill is drawn on that theory. At the bottom of page 12 you will see a declaration that it is the policy of this measure to preserve competition. Competition shall not be surrendered except where it is found to be in the public interest.

The third consideration that we must recognize is that railroads in some cases should have the right to operate bus lines. In 1920 the railroads carried 1,230,000,000 passengers. In 1926 they carried only 860,000,000, or a loss to the railroads of 370,000,000 passengers. That many and more have gone from the railroads to the busses. In many instances that has led to the abandonment of passenger service on short-line railroads. If you adopt the amendment here proposed, you would say to those roads, "You must not conduct this transportation business. You have been in the transportation business for years. Your method of transportation is dwindling away, but we will not authorize you to use a new method of transportation."

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield there?

Mr. LEA of California. In a moment.

In my own section the other day a short-line railroad presented a petition to the commission to abandon its passenger traffic. They showed that a branch line, less than 100 miles in length, was daily losing \$150 by reason of loss of passenger traffic.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield there?

Mr. LEA of California. In a moment. They petitioned for permission to establish a bus line to the communities they served and to abandon the railroad passenger service. There was no contention that the railroad should not be permitted to abandon its passenger service. It is not to the public interest to require a transportation company to lose \$150 a day. Is it just for us to write a law and say to that railroad company, which has its stations established and its agents and all facilities provided, "You shall not own or control a bus line"? Would there be any justice in that?

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. LEA of California. Yes.

Mr. HARE. Would not the Interstate Commerce Commission, under this bill or under existing law, have the right to prevent the establishment of a highway transportation line in competition with that railroad?

Mr. LEA of California. It has.

Mr. HARE. Then would it not be wise, in the first place, to deny the certificate of public convenience and necessity to anyone and allow this road to continue operations and make its \$150 a day instead of giving it the right to operate a transportation line over highways, and then in some other section give it the right to operate on the highways and thereby build up a monopoly, instead of conserving competition?

Mr. LEA of California. That policy was pursued for a while and the railroad company was losing just the same, and then the railroad commission began the policy of granting permits to railroad companies.

Mr. ABERNETHY. Mr. Chairman, will not the gentleman from California yield? If he does not want to yield, all right.

Mr. LEA of California. I will yield to the gentleman. I simply wanted to try to make an orderly presentation of my matter before yielding.

These lines are permitted to run busses. We have a number of those instances in the State of California. In some instances we have two different lines running parallel with the railroads, and in sparsely settled sections we have but one line in many instances. I do not see how we can avoid that general policy. Mistakes may be made in the exercise of that power in individual cases but I think we must adhere to that general policy.

We come to the proposition of excluding the railroad companies from the public highways. Of what interest to the public is it to prevent a railroad from adopting this new kind of transportation? Transportation has been their business ever since they have been incorporated. I do not see why we should exclude them now.

The Oliver amendment which was adopted to-day was written on the theory that the railroads, when in the public interest, shall have the right to operate bus lines. On the other hand, the policy of this bill is to preserve competition and grant a

certificate to railroads and also to other operators when the character of the traffic justifies it from the standpoint of public interest.

Now I yield to the gentleman from North Carolina.

Mr. ABERNETHY. I have great respect for the gentleman's opinion. He has been on the committee for a long time. What concerns me is this, that we now have some competition in the interest of the people, and now it seems to me you are enacting this legislation, and we are going, to a great extent, to do away with the present competition. I think the railroads ought to be treated fairly, but I do not think they should have a monopoly of transportation.

Mr. LEA of California. We do not give the railroads any advantage by this law that we do not give to the other operators of bus lines. Either may secure an exclusive certificate and either may have a competitor.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DENISON. Mr. Chairman, the amendment offered by the gentleman from South Carolina [Mr. HARE] has two parts. I have no doubt the intention of my friend from South Carolina is entirely good, but evidently he has not given this matter enough consideration, because his amendment is ambiguous and is capable of doing a number of things that he does not contemplate; all of which goes to show that in writing legislation of this kind we should be very careful, and that it is very difficult to write such legislation during debate on the floor of this House.

Now, let me read the first proposition:

No certificate of public convenience and necessity shall be issued, transferable, or assignable, to a competing carrier engaged in a different system of transportation.

If there is a railroad operating between two towns, this amendment would prevent the commission from issuing a certificate of convenience and necessity to a motor carrier. Do we want to do that? This amendment will give a monopoly to the railroads over the routes where there are railroads already in operation. I will read it again:

No certificate of public convenience and necessity shall be issued, transferable, or assignable, to a competing carrier engaged in a different system of transportation.

That would at once prohibit the commission from issuing a certificate of convenience or necessity to a motor carrier if there is a railroad operating between the two points.

Mr. HARE. Will the gentleman yield?

Mr. DENISON. I yield.

Mr. HARE. The gentleman can not read two or three words of the amendment and place that interpretation on it. The gentleman must read the entire amendment. Read the last few words of the amendment. That applies to certificates issued for transportation on highways only. This has no reference to certificates issued for transportation on railroads or water or anything else. It applies only to highways.

Mr. DENISON. I am discussing the amendment in perfect good faith. I am discussing the first proposition now.

Now, as to the second part of the amendment—

Or to any person or corporation owning stock or financially interested directly or indirectly in the operation of interstate transportation other than that provided for in such certificate.

Now, if I can understand English, that means that the commission shall not issue any certificate to, nor shall any certificate issued be transferable to, any person or corporation that owns any interest, directly or indirectly, in any other system of transportation, whether it be motor transportation or not. So that no certificate shall be issued to any person who owns any other bus line and any interest in a bus line. The Gray Line could not go down into Virginia and buy a little bus line in that State, nor could they go to South Carolina and buy a bus line in that State.

Mr. HARE. Will the gentleman yield?

Mr. DENISON. I yield.

Mr. HARE. I think the gentleman wants to be fair, but I think he knows that "any other system of transportation" clearly means any other system apart from motor vehicles. It does not attempt to exclude any other type of transportation. It means any transportation not carried on by motor vehicle, for instance, by steam, air, or water. It is clear that that is the only interpretation to be placed upon it.

Mr. DENISON. I stated a moment ago that I knew the intention of my friend from South Carolina was good, but the gentleman has not put his intention into the amendment which has been offered. I am taking the language of the amendment itself, and it is as clear as it can be.

Mr. HARE. If the gentleman can clearly interpret that phraseology, does he not think that those who will have the right to interpret it and enforce it will understand it fully as well?

Mr. DENISON. The amendment offered by the gentleman, which is now before the committee, evidently does not do what the gentleman thinks it does. Of course, it would not do to adopt this amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McSWAIN and Mr. PARKER rose.

Mr. McSWAIN. Mr. Chairman, there has been 15 minutes of debate in opposition to the amendment and only five minutes in favor of it.

Mr. PARKER. Mr. Chairman, I move that all debate on this amendment close in five minutes.

Mr. ABERNETHY. Mr. Chairman, I would like to have five minutes.

Mr. McSWAIN. Mr. Chairman, I would like to have five minutes. Will the gentleman make it 15 minutes?

Mr. PARKER. I amend my motion, Mr. Chairman, to provide that all debate on this amendment close in 15 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from New York, as amended.

The motion as amended was agreed to.

Mr. McSWAIN. Mr. Chairman, I think there are situations where a certificate might properly be issued to a railroad company, especially in a case such as that described by the gentleman from Massachusetts. The amendment offered by the gentleman from South Carolina [Mr. HARE] does not impinge upon that situation, because this amendment prohibits the issuance of a certificate to a competing motor carrier when that competing motor carrier is owned or controlled by a company operating a different system of transportation, whether it is steam, water, air, or otherwise. If there is a highway over which there is no system of motor bus traffic at the present time and a railroad company wants to put on such a motor bus route, it can do it so far as this amendment is concerned; but if some private, separate, or different corporation, individual, or firm is already operating a motor-bus route, and a railroad which virtually parallels that line all of a sudden decides it wishes to add to the public convenience by putting another bus route upon that same highway, you can very well imagine that that railroad company has something in its mind other than the public convenience, advantage, and benefit. It has some sinister motive if it wants to put a second motor bus route over that highway and divide the traffic.

Now, how can it run an existing motor-bus line out of business? Of course, it can not cut the rates. The Interstate Commerce Commission would not allow it to do that. It can not furnish free transportation. The law would not allow that. But a railroad company can very easily do this: It can put busses of such elegance, of such luxurious equipment, of such conveniences, and make riding in their busses so attractive that a private individual who has been furnishing transportation to the public throughout all these years, who has been scuffling for life and now wants to get some of the benefit of this law, can not meet it. He is put out of business, and then the railroad company secures a monopoly of the business, and whether or not it continues to operate for the public convenience and the public interest thereafter will be a question for it and the Interstate Commerce Commission to fight out.

Now, this, I say, goes to the nerve of this whole business. Is the object ultimately to let the railroad companies gobble up these bus lines? It has been so charged. If that is not the purpose, let us write this amendment in the bill so they can not gobble them up. Now, whether a competing bus line wants to sell out or not, whether it would like to make a profit on its investment, and whether a little private corporation can be organized under a charter from some State that makes a business of running a charter mill is their business. We can not control that, perhaps. But we can say that the Pennsylvania or the Southern or any other railroad company can not come in and by their superior financial strength run out and destroy an existing bus line. That is all this amendment purports to do, and that is all a fair construction of it can mean.

Mr. DENISON rose.

Mr. McSWAIN. I understand the gentleman, and I think I will answer the gentleman right now in anticipation, but I ask him to let me proceed for a moment.

This paragraph is dealing with motor busses. The gentleman wants us to write in here in order to make it complete and in order to make it beyond peradventure as to its meaning the whole of Webster's Dictionary. But that is not necessary, because we are dealing with motor-bus carriers, and whenever it says here a competing carrier it means a competing carrier, and whenever it says another carrier engaged in a

different method of transportation it means a carrier controlled by a corporation engaged in carrying passengers by steam, by air, by water, or some method now unknown.

Now, gentlemen, this is the test as to whether or not we are in good faith in preserving private enterprise and independence and whether we want to give the ordinary citizen and the little corporation a chance in the transportation business.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. MAPES. Mr. Chairman and members of the committee, I would like to assure the gentleman from South Carolina, to use his language, that it is not the purpose of this bill to authorize railroad companies to gobble up the motor-bus transportation of the country. As the gentleman from California said, this particular provision, and related subjects, gave the Interstate and Foreign Commerce Committee a great deal of concern, and a great deal of consideration has been given to it. I think if gentlemen will study this bill carefully and impartially they will see that as much protection has been put around the issuance of these certificates to the applicants for the right to run motor busses as can reasonably be done.

The language on page 12, at the bottom of the page, says that in issuing the certificates competition shall be encouraged as much as possible, and on page 20 the bill provides, that in fixing rates the commission shall not take into consideration at all railroad fares or what it costs to ride on a railroad.

There are many instances over the country where the stock of motor-bus transportation companies is owned by railroad companies or those interested in railroad companies, and the adoption of this amendment would work a hardship on the public now served by such companies. The gentleman from Massachusetts has given an illustration of the situation in his community. The gentleman from Illinois called attention to what this amendment does. It is very restrictive and should not be hastily acted upon.

With reference to the question asked by the gentleman from South Carolina [Mr. HARE] my understanding is that the court takes into consideration the intent of Congress when the language is uncertain and indefinite, but when it is clear and definite, as it appears to be in the gentleman's amendment, the court does not take the intent into consideration.

Now, this amendment not only applies to steam railroads but it applies to interurban roads as well; and if written into this act it would prevent them from operating motor-vehicle busses. In my own city they tried to prohibit interurban roads from running motor busses, with the result that the interurban system went into the hands of receivers. It might eventually have gone into the hands of a receiver in any event, but that action was hastened by reason of this prohibition. The policy was later changed and the interurban was given the right to run motor busses as supplemental to the regular service as feeders to it. No independent line could prosper running in competition with the interurban and the interurban could not prosper without the right to supplement its business by motor transportation.

The testimony of one witness before the committee was that the railroad companies are suffering more from the use of private cars than they are from the competition of motor busses. As I recall the testimony, one witness at least gave it as his opinion that the damage to the railroads through the competition of motor busses was very slight, and that their chief damage results from privately owned cars.

This amendment is so drawn that it seems to me, as well as to other members of the committee, it would be very dangerous to adopt it. The only practical way to handle this question is to lodge the authority of passing upon the question of issuing these certificates to the Interstate Commerce Commission and the joint boards where they have power to act. We must assume that their action will be dictated by the public interest.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. HARE].

The question was taken; and on a division (demanded by Mr. HARE) there were—ayes 30, noes 72.

So the amendment was rejected.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word.

I am interested, particularly, in one phase of this bus transportation matter and in this connection I would like to ask the committee a direct question using this illustration.

There are organizations of tourist agencies that either own or rent busses. You can go to an office, probably here in the city of Washington or in any other city, like Philadelphia or Pittsburgh, and purchase a ticket that will entitle you to a week's journeying through New England or through the Adirondacks or through any other section you may desire to

visit, and include in that ticket your expenses en route; that is, an inclusive ticket that covers both your transportation and your hotel accommodations.

These organizations of tourist agencies do not carry on this sort of a party continually and they are not sure of a specified date, and if, for instance, they advertise such a tour and eventually not enough persons purchase tickets, they naturally cancel the date and transfer the request for accommodations to some other date. So it is more or less an intermittent business, but it is carried on very extensively throughout the summer season.

The question I would like to propound to the committee and have definitely understood with respect to the purpose of the committee is this: Are bus lines operated in the manner I have described subject to any special provisions within this bill; and if so, what?

This kind of business is carried on, not only from here up through New England but almost everywhere, and I think it would be very important to have as a matter of record just what is the relationship of this type of motor-bus transportation as regulated or controlled by this bill, and I would like very much, indeed, to have a positive and definite statement from the committee.

Mr. DENISON. Will the gentleman answer this question? Do they own the busses the gentleman is talking about operating?

Mr. TREADWAY. I think as a rule they do, but I would not say definitely as to that; in fact, I can see in my mind's eye now some of these busses going through our section with the name of the tour on it, but nevertheless I would not feel authorized to say that in all instances they own the busses.

Mr. DENISON. My answer to the gentleman's question would be that such concerns that run trips of that kind would have to secure, if they operate in interstate commerce—

Mr. TREADWAY. It would be interstate commerce.

Mr. DENISON. Would have to secure from the commission a permit authorizing it to operate as a charter carrier, under section 7. They would make application to the commission immediately after the passage of this bill for a permit to operate as a charter carrier.

Mr. TREADWAY. Is that paragraph (a) or the whole section?

Mr. DENISON. The entire section. Such carriers are not engaged in common-carrier business, but they accept business for special trips, even sometimes including hotel expenses.

Mr. TREADWAY. Yes.

Mr. DENISON. They are charter carriers. They get a permit from the commission and that permit will operate indefinitely until it is revoked by the commission. In the issuance of that permit the commission will require the carrier to provide insurance to protect its passengers; it will require the carrier to provide safe equipment; it will require the carrier to employ qualified drivers and not work them longer than a certain number of hours a day. We only supervise, in a general way, such carrier, the regulations going far enough to protect the people who patronize them and to protect the public.

Mr. TREADWAY. May I add from what the gentleman from Illinois says my interpretation of the control is that it is purely one for the benefit of the purchaser of a ticket from such a bus line?

Mr. DENISON. That is true; absolutely.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. McSWAIN. Mr. Chairman, I rise in opposition to the pro forma amendment, for the purpose of asking a question.

I desire to ask the gentlemen of the committee to refer to the fact that, on page 10, I offered an amendment in line 8, inserting the word "legal" before the word "operation."

This amendment I withdrew upon the assurance that the language in subparagraph (b), on page 11, covered what was manifestly the object of my amendment; to wit, to prevent some person who anticipates the passage of this bill from jumping in, not to serve the public primarily, not to make money out of the operation of a commercial passenger business, but for the purpose of having a sort of franchise or an automatic certificate issued which would be available so that he could go upon the market and sell it.

I want to ask the gentleman if the language in line 17, for instance, would authorize and permit a competitor, a competing concern which had been operating in good faith and whose business or the value of whose route would be impaired by the issuance of an automatic certificate to such a fly-by-night operator, to come in and furnish information to the commission that this

fellow was, we might say, a sort of sagebrush camp follower, was not a bona fide operator?

Mr. DENISON. I will read the language of the act:

If it appears from the answer to the questionnaire or from information otherwise furnished (1) that the carrier or a predecessor in interest was in bona fide operation on January 1, 1930, as a common carrier by motor vehicle in interstate or foreign commerce on any public highway and (except as to seasonal service or interruption of operation over which the applicant or his predecessors in interest have no control) continuously has so operated since that date and (2) that such operations are bona fide for the purpose of furnishing reasonable continuous and adequate service at just and reasonable rates—

And so forth.

All those questions are entered into by the commission, and it is done on information that may come from any source.

Mr. McSWAIN. And the motor-bus carrier would have the right to intervene to show that he was such a carrier?

Mr. DENISON. Yes.

Mr. MOORE of Virginia. Mr. Chairman, I offer an amendment to strike out the subsection.

The Clerk read as follows:

Page 11, beginning on line 3, strike out subsection (b).

Mr. MOORE of Virginia. Mr. Chairman, I apologize to the committee for again trespassing on its time, and I hope to find it unnecessary to do so again.

I have often disagreed sharply with my friend from Alabama [Mr. Huddleston], a member of the Committee on Interstate and Foreign Commerce, but I recognize that he is a very able, a very thoughtful man, and I have here one expression of his relative to this bill with which I am in the most hearty accord. He says this:

Sections 4 and 5 embrace the so-called "grandfather clause," which recognizes as a vested interest the business of those who were operating busses on January 1, 1930. It grants to those operators a precedence and a priority and is intended to secure to them the required permission to continue their operations. This clause discriminates against all those now operating who may have begun after January 1, and all those who may desire to begin operations in future. As a discrimination, it is unsound in principle. If we are to grant certificates giving exclusive rights and privileges, all desiring them should apply on an equal basis, and all applications should be considered upon their merits, without preference or priority, and with an eye single to the public interest.

I do not think there could well be a clearer or stronger statement of an ancient doctrine, which, however, threatens to become worn out—the doctrine of equal opportunity.

If this were a State legislature working on this bill there is not the slightest sort of doubt that the question would be raised as to whether this preference provision does not violate the prohibition of the fourteenth amendment with respect to the equal protection of the laws. There is no such constitutional obligation binding on the Congress, but nevertheless we are talking now about a fundamental principle, which it seems to the distinguished gentleman from Alabama, and strikes me, ought to be very carefully considered and observed if possible.

Without any particular argument, beyond the argument contained in what I have quoted, let me state the case that is going to arise in the event that this legislation is adopted as now framed.

There is a carrier actually operating at the time the act becomes effective. By section 4 that carrier, as a matter of course, is permitted to continue operating for 90 days. After that if it files its application it is allowed to continue in operation indefinitely until the application is passed on.

What more ought to be done to safeguard motor-vehicle carriers than that? But when we come to section 5, and particularly this subsection to which I am offering an amendment, what do we find?

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. I ask for five minutes more.

The CHAIRMAN. Without objection, it is so ordered.

Mr. MOORE of Virginia. We find that that carrier, when the commission comes to consider its application along with the application of other carriers not actually operating at the time the law is passed, is put in a favored class by itself. The commission is authorized by the terms of this subsection to send out a questionnaire to obtain information, or may obtain it otherwise, and if it is satisfied with the character of the concern then it grants the application, and without any reference to a joint board. Other carriers that have filed applications for permission to operate over the same route are required to go before joint boards, and they are liable to be held unnecessary.

Mr. NELSON of Maine. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. NELSON of Maine. Does not the gentleman feel that a man who has taken the risk of the venture, has gone into this field and invested his money in these busses over a route where the service is needed, has built up his terminals, has built up his trade, is entitled to any consideration over a stranger who wants to come in?

Mr. MOORE of Virginia. He is given consideration to an extent that I think is sufficient by section 4, and beyond that I care not how rich he is.

Mr. NELSON of Maine. I am not talking about that.

Mr. MOORE of Virginia. And without regard to whether it is a carrier owned or not by a railroad. I have no bias on earth against the railroads, and I am not talking now except in the public interest, if I know myself. I think when we reach a point of the applications being filed and the existing carrier being accorded the right to operate until his application is considered, the fair limit is reached. I can imagine a case in which the other applicant is much more deserving than the existing operator. There will be many such cases in which the second or the third applicant not already operating is more deserving of consideration and the issuance of a license than the carrier in operation.

Mr. NELSON of Maine. Then if the gentleman could have this bill as he would like to have it, he would have these matters left to the local boards with power to turn out all of the men who have been in the business and put in somebody else?

Mr. MOORE of Virginia. My friend is now getting back to the joint board matter, but we have already discussed that and have agreed that the joint boards are merely advisory, and that final decision rests with the commission.

What I am talking about now is the provision that divests the joint boards of any look-in or control and confers upon the commission authority to say that the existing carrier shall be allowed to continue in operation, whereas the other applicants who are not immediately operating have to go through the processes that are provided in the previous sections of the bill. I do not know anything particularly about the motor-vehicle carriers between Richmond, in my own State, and Washington or points farther north, but speaking for my own State and wishing to be fair to all applicants, whether they have already made investments or not, whether they are actually operating routes or not; what I wish is not to give any priority, not to accord any superiority, but allow the existing carrier or carriers to go along as authorized in section 4 until the commission passes on their application or applications, and then require that such an application shall be treated and dealt with in precisely the same way in which the other possible applicants are dealt with, although the latter may be new to the situation.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. BURTNESS. Mr. Chairman, of course this is one of the very important provisions in the bill, sometimes denominated the grandfather clause.

Mr. MOORE of Virginia. This is the great-grandfather clause; section 4 is the grandfather clause.

Mr. BURTNESS. Unfortunately, whenever that term is used a certain amount of derision and prejudice is carried with it, but let us see if we can understand the situation. Since the Buck and Bush cases were decided in 1925 the accepted law has been that the States can not regulate interstate busses.

For five years Congress has had the power to regulate such business, if it had so desired, but we have not availed ourselves of that power. What has happened in the meantime? Business men and others, seeing the need and the opportunity for establishing this important means of transportation, have invested their money, they have bought their busses and equipment and plants. By giving good service they have acquired the good will in most cases of the traveling public. They have been well patronized. In many cases they have built large, fine terminals, and the terminals alone, perhaps, throughout the country amount to a value of millions of dollars.

All of this has developed naturally in accordance with business demands throughout the country. The total property invested in them is very valuable. True, they have known that they might be regulated, but we have been slow in bringing about regulation. Finally Congress determines to regulate them; or let us assume that—that this bill is passed and is signed by the President. Then what happens? The gentleman from Virginia [Mr. Moore] would have you place those people with all of their investments, with all of their business, in no better

position in applying for a certificate of convenience and necessity than some individual who has done absolutely nothing toward the development of this business. Is that the fair way to treat pioneers in any industry, I do not care whether it be a matter of transportation or something else?

There is another important matter that I do want to correct. I do not think the gentleman from Virginia has the impression, but I think some gentlemen on the floor do have the impression that the grandfather clause in this bill gives to any motor operator the absolute privilege to obtain a certificate of convenience and necessity as a matter of right. It does not do that.

It may be true that the original bill introduced some years ago did that; I have forgotten; but in so far as this bill is concerned, the committee has written around the provision of the so-called grandfather clause certain conditions that are in the public interest, and I think conditions sufficient to protect the public interest.

As soon as the bill is passed all of the operators who were doing business continue until the commission can act on their applications for a certificate of convenience and necessity. Let us hope that may be done in 90 days, but we can readily realize that with the thousands and thousands of applications that will be sent down to the commission it may be absolutely impossible for the commission to pass on all of them in 90 days. So, under section 4, which the gentleman from Virginia [Mr. MOORE] designates as the grandfather clause, though I do not consider it so at all, they are given further time until they can pass on the applications for certificates of convenience and necessity. Under the amendment adopted this afternoon those who were in operation on March 1, 1930, will be treated separately and distinct from those who commenced operations thereafter, or those who have not commenced operations at all, and simply apply for a certificate of convenience and necessity.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BURTNESS. Mr. Chairman, I ask for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURTNESS. Now, the certificates are not granted arbitrarily, but—

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. BURTNESS. In a moment. I want to get through with my thought.

The commission can not grant a certificate of public convenience and necessity to operators, even if they have operated for five years or any other length of time, unless they find at least three things: First, that the carrier was in bona fide operation on March 1, 1930; second, the commission must find that the operations were bona fide, and also that they were for the purpose of furnishing reasonable and adequate service at just and reasonable rates. No fly-by-night operator is entitled to a certificate under this clause. It must be an operator who is furnishing continuous and adequate service at just and reasonable rates. And third, they must find that the applicant is fit and able properly to perform the service required, a very important requirement to be affirmatively determined.

Now then, if you have a concern that has a bona fide business developed along a particular line and is furnishing adequate service at just and reasonable rates and is able and fit to perform that service, should it not, in justice, have some consideration as compared with one that has not been engaged in the business but simply comes from somewhere, with no equipment, and is only able to show that they can buy an equipment and make a start? It is not our province, nor should it be, to drive people out of a legitimate business which they have established.

This, I think, is an absolute necessity. If you do not write a so-called grandfather clause in this bill, I should fear very much that the administration of the bill might absolutely fail and break down. I do not know how many transactions there are at the present time, but they probably run into the thousands. If the Interstate Commerce Commission should have to refer all such transactions to joint boards or to the commission or its examiners and give the same attention to every application that comes in, as where certificates of public convenience and necessity from new operators are petitioned for, they could not do it. At least there would be such a delay in the administration of this bill that it would become a farce.

Mr. WOLVERTON of New Jersey. In the remarks he has made the gentleman has shown that the pioneers in this business should be protected in their rights. Is it not also true that the provision he is now discussing insures competition where it now exists?

Mr. BURTNESS. Of course. This is a peculiar thing about it. Some people who talk about preserving competition and allowing everybody to come in forever are not willing to let all competitive agencies already established come in and obtain a certificate of public convenience and necessity. The maintenance of competition is one of the reasons considered in the committee for this clause. We wanted to give each business properly established, rendering a good and adequate service, the right to obtain a certificate rather than allowing the commission or the joint board where two or three lines are operating to grant the certificate to only one.

The provision of this bill as it stands is designed to maintain competition; but a competition in the public interest, rather than an unrestrained, expensive competition, which is not generally in the public interest in the operation of any public utility.

Mr. PARKER. Mr. Chairman, I move that all debate on amendments to this section be now closed.

The motion was agreed to.

Mr. CANNON. Mr. Chairman, it is now late in the afternoon, and I would like to move that the committee rise—

The CHAIRMAN. The Chair does not recognize the gentleman for that purpose.

Mr. CANNON. I move that the committee rise and report the bill back to the House, with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman from Missouri makes the motion that the committee strike out the enacting clause.

Mr. CANNON. Mr. Chairman, I desire to be recognized in favor of the motion.

Mr. Chairman, the committee system is indispensable in any large legislative body. No one Member could so much as read, much less digest, the number of bills and the volume of legislation coming up for consideration. But the system has its disadvantages, as when a bill requiring material amendment gets past a committee, as in the present instance.

Let us consider first the source of the demand for this bill. Are the patrons of the bus lines asking for this legislation? Is there a request on the part of the traveling public for a bill of this character? Has the press of the country urged enactment of such a measure? No. There has been no widespread agitation over the country in behalf of this bill, as in the concerted movements for modification of sumptuary laws. There has come no flood of petitions as was received urging the enactment of veterans' legislation. There have been no delegations appearing before the committee from the farm organizations or other organizations as besieged the House when farm relief bills legislation was under consideration.

Whence, then, comes the request for the passage of this bill—one of the most important and far-reaching pieces of legislation that has engrossed the attention of the Congress since the World War?

Fortunately, that question is answered by my good friend, the gentleman in charge of this bill. He tells us frankly that it was demanded by the interested parties themselves—the bus people, the railroads, and the trolley lines. In passing this bill, then, we are legislating not for the interest of the people, the patrons, the traveling public, but in the interest of the bus lines themselves.

Mr. RAYBURN. Mr. Chairman, the chairman of the committee ought not to let a statement like that to be made. I do not think the chairman of the committee ever made such a statement or gave such an intimation.

Mr. CANNON. I confess I was surprised myself at the origin of the bill so frankly avowed, but I have merely quoted verbatim the statement made by the chairman in his speech opening general debate on the bill on March 12 and reported in the CONGRESSIONAL RECORD of that date.

Mr. PARKER. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Gladly.

Mr. PARKER. I did not say the demand came from them. I said the original bill was drawn by them. I say it now.

Mr. CANNON. That renders it still more objectionable. It is legislation for the corporations, drawn by the corporations, and for the corporations. The patrons do not seem to have been considered.

Mr. PARKER. But they would not know the bill now.

Mr. CANNON. Any changes seem to have met with their hearty approval. They are unanimously in favor of the bill as reported to the House. And why not? The bill is everything that they can desire. First, it provides for fixing rates; second, it will increase their revenues; and, third, it will weed out competition.

The bill delegates to the Interstate Commerce Commission the identical power to fix bus rates it is now exercising over the railroads—the power to fix rates. I recall with what abandon

gentlemen on the floor here denounced the McNary-Haugen bill because, as they alleged, it proposed to fix prices. The McNary-Haugen bill was declared as unconstitutional, uneconomic, and communistic because they affected to see in it what they chose to denounce as a price-fixing measure.

And here is a bill which as certainly delegates to the Interstate Commerce Commission the power to fix bus rates as it is now authorized to fix railroad rates.

Let us see how this power operates in actual practice. In Missouri we have a law which clothes our State public service commission—the counterpart in the State government of the Interstate Commerce Commission in the Federal Government—with power to fix rates charged by intrastate carriers similar to that here sought to be conferred in the fixing of rates charged by interstate carriers. A bus line charged a fare of \$4.50 from St. Louis to Kansas City. The fare charged by the railroads from St. Louis to Kansas City is \$10.04. Naturally the railroads lost a great part of the passenger traffic between the two cities, as the average passenger preferred to travel by bus and save the \$5.54. The railroads complained to the public service commission and the public service commission ordered the bus line to increase its rates. And, although the bus line was making ample return on its investment and any increase in its rates was exacting money from the public for which it gave no return whatever, it was compelled to raise its rates in order to permit the railroads to pay dividends on watered stock. That is the power which this bill proposes to vest in the Interstate Commerce Commission—the power to make the public traveling on interstate bus lines pay more than twice what the service is worth in order to destroy free and legitimate competition with transportation monopolies.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON. I ask unanimous consent to proceed for five minutes.

Mr. MAPES. I object.

Mr. HOCH rose.

The CHAIRMAN. The gentleman from Kansas is recognized for five minutes.

Mr. HOCH. Mr. Chairman, as a member of the Committee on Interstate and Foreign Commerce, I can not permit the wholesale indictment of this legislation and of this committee to pass unchallenged. I deny categorically that this bill was written by the railroads, by the bus operators, or by any other special interests.

Mr. CANNON. Will the gentleman yield?

Mr. HOCH. I will not yield for the moment.

I have been a member of this committee for 9 or 10 years, and I say to the gentleman from Missouri and to other members of this committee, I have never seen a piece of legislation given any more serious consideration or any more thorough consideration in the public interest. I have never seen more loyal application to a job than was given by the members of this committee, both Republicans and Democrats, in considering every line, every phrase of this bill, to seek to protect the public interest.

This bill has been rewritten almost from first to last since it was first presented. I did not approach this subject as one particularly impressed with the need of this legislation, but as the matter progressed I became convinced that there was necessity for some legislation.

The gentleman says that the railroads wrote this bill and that nobody asked it except the special interests. The Interstate Commerce Commission conducted a long investigation. They came before us and they are on record in the strongest sort of language recommending this legislation. Representatives of the State commissions came before us and pleaded for this legislation. Certainly we must recognize that the State commissions have some right to speak for the public interest. Forty-seven States have already enacted legislation along this line, and the State commissions came before us and said:

We have written legislation of this sort. Here are interstate operators who are operating, running wild, without any regulation and without any protection not only of the public interest but of the rights of the State, and we urge upon you the necessity of additional legislation.

The committee took this bill from the start, went through every part of it, and if the gentleman will read the bill carefully, he will find provision after provision written in here, certainly, that the railroads did not write, that the bus operators did not write, but, notwithstanding that, the gentleman comes on the floor and at the last moment—I have not heard the gentleman offer any amendments to protect the public interest—

Mr. CANNON. Will the gentleman yield?

Mr. HOCH. I do not yield.

The gentleman comes here at the last moment and indicts the sincerity and I might almost say the integrity of the committee, and as one member of the committee I challenge that statement and deny the truth of it. [Applause.]

Mr. CANNON. Will the gentleman yield?

Mr. HOCH. I do not yield.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to proceed for five minutes. Is there objection?

Mr. MAPES. I object.

The CHAIRMAN. The question is on the motion of the gentleman from Missouri to strike out the enacting clause.

The motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. MOORE].

The amendment was rejected.

The Clerk read as follows:

PERMITS FOR CHARTER CARRIERS

SEC. 7. (a) No corporation or person shall operate as a charter carrier by motor vehicle in interstate or foreign commerce on any public highway unless there is in force with respect to such carrier a charter carrier permit, issued by the commission, authorizing such operation; except that any charter carrier by motor vehicle in operation on the date of the approval of this act may continue such operation for a period of 90 days thereafter without a charter carrier permit, and if application for a permit authorizing such operation is made to the commission within such period the carrier may, under such regulations as the commission may prescribe, continue such operations until otherwise ordered by the commission.

(b) Applications for such permits shall be made to the commission in writing, verified under oath, and shall contain such information as the commission may require. If it appears from the application or from information otherwise furnished that the applicant is fit and able properly to perform the service proposed, then a charter carrier permit shall be issued to the applicant by the commission. The commission shall specify in the permit the operations covered thereby, and shall attach to the permit, at the time of issuance and from time to time thereafter such terms and conditions as are necessary to carry out, with respect to the operations of such carrier, the requirements established by the commission under section 2 (a) (2).

Mr. PARKER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PARKER: Page 14, line 15, strike out all after the word "appears," down to and including the word "furnished," in line 16.

Mr. PARKER. Mr. Chairman, it is perfectly clear what this amendment does. The commission would naturally use the information contained in the application, and this is simply a clarifying amendment.

Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. PARKER. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PARKER: Page 14, line 20, after the word "thereby" insert a comma and the following:
"So far as practicable."

Mr. PARKER. Mr. Chairman, that simply relates to charter carriers. The bill carries a specific specification, which, perhaps, it is not possible to meet. This simply gives a little more leeway so they can conform to the rules as far as practicable.

Mr. CANNON. Mr. Chairman, I rise in opposition to the amendment.

Mr. PARKER. Mr. Chairman, I move that all debate on this amendment do now close.

Mr. CANNON. Mr. Chairman, the Chair had recognized me, because I rose in opposition to the amendment.

The CHAIRMAN. The Chair had recognized the gentleman from New York, and he had the floor. The question is on the motion of the gentleman from New York that all debate on this amendment do now close.

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 66, noes 29.

So the motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DENISON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DENISON: Page 14, line 1, after the word "highway," insert "or within any park or reservation under the exclusive jurisdiction of the United States."

Mr. DENISON. Mr. Chairman, it has been called to the attention of the committee since the bill has been on the floor, that it made no provision for the protection of people traveling in motor busses carrying sight-seeing parties through the national parks. Of course, those parks are under the exclusive jurisdiction of the United States and, therefore, busses operating in those parks can not be regulated by State commissions. We have made no provision for them in the bill, and this amendment is offered in order to correct that oversight. It was suggested to me by the gentleman from Oklahoma [Mr. McKEOWN], and it merely requires that those operating these sight-seeing motor busses in the parks must get a charter permit, which will enable the Government to regulate them to the extent of seeing that those they carry are protected by insurance, that they have safe equipment and qualified operators.

Mr. CANNON. Mr. Chairman, I much regret that my colleagues, for whom I entertain the warmest regard, should feel that their cause is so frail and their chances of securing passage of the bill are so precarious that it is necessary to arbitrarily cut off debate and refuse to hear the other side of this question. They have spoken at length. No one speaking for the bill has been denied time, and Members have repeatedly been granted extensions of time. It is a poor bill which will not bear criticism. Surely we on this side are entitled to our day in court. It is particularly unprecedented that one Member should attack another personally and refuse to yield for a courteous rejoinder.

The gentleman from Kansas insists that I am mistaken in suggesting that the railroads had anything to do with drafting this legislation. How does he reconcile that statement with the statement of the chairman himself, the able gentleman from New York, now in charge of the bill?

Mr. DENISON. Mr. Chairman, I make the point of order that the gentleman is not discussing the amendment.

The CHAIRMAN. The gentleman will proceed in order.

Mr. CANNON. I am merely replying to the speech of my friend from Kansas questioning the accuracy of my statement that this bill was originally drawn by the parties in interest—the bus people, the railroads, and the trolley lines. In order to refresh the gentleman's memory let me cite him to page 5112 of the CONGRESSIONAL RECORD for March 12, on which the Chairman is recorded as saying:

The original bill, H. R. 7954, which I introduced at the beginning of the session, was drawn—and there is no question about it—by the interested parties. It was drawn by the bus people, after conferences between the bus people, the railroads, the trolley lines, and the commissions of the various States.

The statement is explicit and unequivocal. It leaves no room for doubt that this legislation has its inception not through a demand upon the part of the people who patronize the bus lines but upon the request and initiative of the transportation corporations, who were so familiar with what they wanted that they drafted their own bills.

Mr. NELSON of Maine. Will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. NELSON of Maine. The gentleman does not mean to say that the chairman claimed the railroads had anything to do with this particular legislation?

Mr. CANNON. I refer the gentleman to the statement printed in the CONGRESSIONAL RECORD. It speaks for itself.

Mr. NELSON of Maine. The gentleman wants to be fair and honest?

Mr. CANNON. I am certain the gentleman will testify that he has always found me to be both.

Mr. NELSON of Maine. The chairman stated that the original bill was presented by the railroads, did he not?

Mr. CANNON. The statement is very clear. It is capable of but one interpretation.

Mr. NELSON of Maine. Has the gentleman any information of any kind to the effect that anybody interested in the railroads had anything to do with shaping this legislation?

Mr. CANNON. The gentleman knows very well—

Mr. NELSON of Maine. If the gentleman has such information, he ought to give it to the House.

Mr. CANNON. It is a matter of common knowledge that the transportation interests were represented in the hearings before the committee. That was perfectly legitimate. The bus people, the railroads, and the trolley interests have a right to present their case. I did not suppose there was any question about that. Their witnesses were under the direction of an able attorney who has represented transportation interests in Washington for many years.

Mr. NELSON of Maine. Who was that?

Mr. CANNON. I refer to the statement made by Mr. RANKIN on the floor here—and it was not challenged—that Mr. Thom, a well-known railroad attorney was in attendance at the hearings, and that whenever a witness for the bus lines would get in deep water he would turn around and ask Mr. Thom about it, and Mr. Thom would give the committee information. The transportation companies seem to have been adequately represented at all times from the drafting of the bill, through the committee hearings, and no doubt their representatives are now in the galleries closely following the progress of the bill.

But to get back to the merits of the bill itself—under powers similar to those with which it is proposed to endow the Interstate Commerce Commission, the Public Service Commission of Missouri has compelled bus lines in that State to arbitrarily raise their rates to practically twice the amount at which they could operate at a legitimate profit. In addition to that it has refused to permit bus lines applying for certificates to operate in competition with established lines and railroads. They have refused to admit established bus lines from other States. Why? Because of the interest of the public? No. To quote their own language because—

The necessity for passenger transportation between St. Louis and Kansas City is adequately served by the rail and motor carriers now operating between said cities.

Under that logic you can exclude chain stores, chain banks, and chain theaters from every town in the United States. In practically every community to-day the needs for the services offered by these chain industries are already adequately supplied. If you invoke the principle in agricultural legislation, the problem of farm relief would be speedily solved. Why is it not as logical to refuse to permit more stores in a town or more farmers in the grain and cotton and livestock business as long as present facilities are ample? Under such a policy surpluses would melt away and both agriculture and merchandising would be rehabilitated. And why not apply the remedy to the farmer and the merchant as well as to the railroads, the bus lines, and the trolley interests? Let us be consistent. If we propose to insure the transportation corporations a return on their investment, let us insure the farmer and the small business man a return on their investments. Or, if competition is the life of trade for the farmer and the merchant, let us apply it to the bus lines and the railroads and trolley lines, as well as to other industries.

Mr. Chairman, let us consider the ultimate effect of this legislation.

This is a bill to fix prices. It is a bill to raise bus fares. It is a bill to increase the cost of transportation. It is a bill to authorize dividends on watered stock. It is a bill to mulct the poor, unable to pay the exorbitant rates exacted by transportation lines, unhampered by the wholesome restraint of free competition.

It is a bill to establish transportation monopolies. It is a bill to stifle legitimate competition. It is a bill to surrender the national highways for purposes of interstate public carriage to a few favored corporations.

It is a bill to add to the cost of government. It is a bill to increase taxation. It is a bill to enlarge the amounts carried in the annual supply bills passed by Congress for the support of the Federal departments.

It is a bill to promote bureaucratic government. It is a bill to further centralize the control of gigantic business interests.

It is a bill to vest in appointive bureaus in Washington, far removed from the voice and vote of the people, far-reaching powers which will grow with the years.

It is a bill without an adequately redeeming feature to commend it.

Mr. PARKER. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes.

Mr. RANKIN. Not on the section. I have an amendment which I want to offer later, but I would like to be heard on the pending amendment. I have been trying to get recognized to offer an amendment that is very vital, and I think we ought to have time to discuss it. I do not object to shutting off debate on this amendment, although I would like to have five minutes to discuss it; but if the gentleman insists on shutting off de-

bate, I certainly do not want him to shut off debate on the amendment which I intend to offer.

Mr. RAYBURN. I will say to the gentleman that the gentleman from California [Mr. LEA] also has an amendment to offer.

Mr. PARKER. I had in mind the amendment to be offered by the gentleman from California.

Mr. RANKIN. Withhold that motion until we dispose of the amendment. I have waited for members of the committee to offer their amendments, although I was on my feet trying to get recognition.

Mr. PARKER. I wish to say to the gentleman that we hope to finish the consideration of this bill to-night.

Mr. RANKIN. I understand that.

Mr. PARKER. And I want to make the further statement it is my understanding that if we finish the bill to-night a motion will be made to adjourn over until Monday; but if we do not finish it to-night, we will have to come back here to-morrow.

Mr. RANKIN. I understand that; but we are interested in this legislation. We are not here to kill time. I had the roll called in order that Members might come here and hear the debate. Here is, perhaps, the most vital portion of the bill, and I have an amendment which I have been waiting to offer.

Mr. PARKER. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

Mr. RANKIN. I hope the gentleman will not confine us to 10 minutes because I have an amendment here that involves a very vital question, and we who are opposed to the bill ought to have ample time.

The regular order was demanded.

The CHAIRMAN. Is there objection to the request of the gentleman from New York that debate on this section and all amendments thereto close in 10 minutes?

Mr. RANKIN. Reserving the right to object, Mr. Chairman—

The CHAIRMAN. The regular order has been demanded.

Mr. RANKIN. I want to know how the time is to be divided.

Mr. PARKER. I would suggest five minutes to the gentleman from Mississippi and five minutes to the gentleman from California [Mr. LEA].

The CHAIRMAN. Is there objection?

Mr. RANKIN. I object for the time being.

Mr. PARKER. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

Mr. RANKIN. Mr. Chairman, I offer an amendment to the motion that all debate close in 25 minutes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi to the motion of the gentleman from New York.

The amendment to the motion was rejected.

The CHAIRMAN. The question is on the motion of the gentleman from New York that debate on this section and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. LEA of California. Mr. Chairman, I have an amendment.

Mr. BURTNESS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BURTNESS. Is there an amendment pending?

The CHAIRMAN. The parliamentary situation is that there is an amendment offered by the gentleman from Illinois [Mr. DENISON] now pending. Is the amendment of the gentleman from California [Mr. LEA] an amendment to the amendment which is now pending?

Mr. LEA of California. It is not, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DENISON].

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 79, noes 13.

So the amendment was agreed to.

Mr. LEA of California. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 14, line 21, after the word "thereafter," insert "reasonable limitations in respect to service while operating over any regular route of a common carrier or motor vehicle, and."

Mr. LEA of California. Mr. Chairman, this amendment would give the commission power to make reasonable limitations on charter carriers while operating on regular routes.

The purpose of the amendment is to avoid conflict in these two classes of operations. The House is well aware that the bill provides for two classes of operators subject to regulations. The first is the common or regular carriers whose operations are on fixed routes. The other, known as charter carriers and

independent carriers, and they have the privilege of going anywhere.

A difficult problem presented itself to the committee to draw the line so as to avoid conflict between these two classes of carriers. The bill limits the number of regular carriers that go on the road, but there is no limitation on the charter carriers.

The regular carriers are confined to fixed routes. The charter carriers can go anywhere in the United States. The regular carriers are required to give regular service, and they may be required to give additional service, and they may be compelled to extend their lines. There is no such authority given the commission in reference to charter carriers. This amendment if adopted will tend to harmonize the operations of regular carriers and charter carriers.

Mr. PARKER. Mr. Chairman, so far as the committee is concerned, they will accept the amendment.

Mr. McSWAIN. Mr. Chairman, I want to ask the gentleman when he thought of this amendment?

Mr. LEA of California. About a week ago.

Mr. McSWAIN. Does not the gentleman think if we stayed here two or three days longer the committee might think of other amendments and make the bill more acceptable so that more of us could vote for it? I want to say that I favor this amendment myself. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken, and the amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Page 14, line 11, after the word "Commission," strike out the period and insert a semicolon and add the following: "but carriers of persons operating motor busses hired or leased for an occasional trip shall not be required to obtain a permit."

Mr. RANKIN. Mr. Chairman, I want the attention of every Member whose district touches a State line. Under the provisions of this bill if anyone in your district loads a truck or bus with as many as half a dozen or more of his neighbors and takes them across the State line to a fair, to a show, or to a ball game, and charges them 1 cent—if he charges even enough to pay for his gasoline, and he is without a permit from the Interstate Commerce Commission, he is subject to indictment in a Federal court. Do you understand that? Do you realize how that will paralyze traffic in those border communities?

If he makes a single trip, under this bill and the amendment you have just adopted that will be the result. You deny the people of the States the right to enter a national park or a military park without obtaining such a permit from Washington.

Any man in the District of Columbia, in Maryland, or in another State, who loads his truck or his school bus with his neighbors or with his neighbors' children and takes them into the park of Gettysburg without first getting a permit from the Interstate Commerce Commission is subject to indictment in the Federal court if he even accepts pay to the extent of his actual expenses. I am telling you what this bill means. No such drastic piece of legislation has ever been offered on this floor since I have been in the House.

Let me say to the gentleman from Oklahoma before me [Mr. GARBER] that if a man in one of the border counties in Oklahoma undertakes to go across a State line and take a load of people to a cattle show, to a fair, or for any other purpose, he must first get a permit from Washington, because if he goes without it he is subject to indictment in the Federal court—unless he hauls his passengers free of charge.

Mr. GARBER of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield for a question.

Mr. GARBER of Oklahoma. But you have got to couple your proposition with the condition that it is for compensation. A man who uses the public highway for his own private gain should be regulated.

Mr. RANKIN. If he charges even for the price of his gasoline he is subject to indictment in the Federal court under the provisions of this bill.

I would like to have the attention of the gentleman from Indiana [Mr. JOHNSON]. If the citizens of Vermillion County, in the gentleman's district, or Vigo County, have a county fair and a man across the State line, in an adjoining State, loads up a bus or a truck full of his neighbors or his neighbors' children and brings them across the State line and charges the price of his gasoline, he is subject to indictment in the Federal court. Do you think the people of Indiana would approve that?

Let me have the attention of the gentleman from North Dakota [Mr. BURTNESS]. Take Cavalier County, or Walsh

County, or any of those counties along the State line in North Dakota. If a man there hauls as many as six of his neighbors under these same conditions to another State and even charges 1 cent for so doing, he is subject to indictment in the Federal court.

I ask you to adopt my amendment to take that provision out of the bill, so that you may not paralyze or penalize the people living adjacent to State lines by the passage of this measure, the purpose of which is to permit railroads and bus lines to merge so as to monopolize the traffic and kill off legitimate competition.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 36, noes 74.

Mr. RANKIN. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Mississippi demands tellers. As many as favor taking the vote by tellers will rise and stand until counted. [After counting.] Twenty-one Members have risen, a sufficient number, and tellers are ordered.

Mr. PARKER and Mr. RANKIN were appointed tellers.

The committee again divided, and the tellers reported ayes 43, noes 73.

So the amendment was rejected.

The Clerk read as follows:

SUSPENSION, CHANGE, REVOCATION, AND TRANSFER OF CERTIFICATES AND PERMITS

SEC. 8. (a) Certificates of public convenience and necessity, and charter carrier permits, shall be effective from the date specified therein, and shall remain in effect until terminated as herein provided. Any such certificate or permit may be suspended, changed, or revoked, in whole or in part, for failure to comply with any provision of this act, or with any lawful order, rule, or regulation of the commission promulgated thereunder, or with any term or condition of the certificate or permit, or whenever the public interest shall so require.

(b) Except as provided in section 9, any such certificate or permit shall be transferable.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word for the purpose of getting some information. Is any provision made in the bill for a hearing before permits are revoked? It is provided in the bill:

Any such certificate or permit may be suspended, changed, or revoked in whole or in part for failure to comply with any provisions of this act—

And so forth.

My inquiry is whether you are going to give any opportunity to the operator of the bus line to be heard before the permit is revoked?

Mr. PARKER. The gentleman, on page 9, subdivision (f), will find an answer to his question. A hearing is there provided for.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

Mr. PARKER. Mr. Chairman, I move that all debate upon this section and all amendments thereto do now close.

The motion was agreed to.

The Clerk read as follows:

CONSOLIDATION, MERGER, AND ACQUISITION OF CONTROL

SEC. 9. (a) Any corporate consolidation or merger of two or more corporations at least one of which is a common carrier by motor vehicle, and any acquisition of control of any common carrier by motor vehicle, shall be invalid and unlawful unless approved and authorized as herein-after provided. For the purposes of this section, control of any common carrier by motor vehicle shall be deemed to be acquired if any person or corporation acquires (except pursuant to court order or by operation of law), directly or indirectly, through purchase, exchange, lease, gift, or corporate distribution, any right, title, or interest in (1) any certificate of public convenience and necessity of such carrier, or (2) all or substantially all the properties of such carrier of use in its operations under any such certificate, or (3) voting stock or other voting evidences of interest in such carrier in an amount sufficient to obtain control of such carrier.

(b) Any person or corporation may apply to the commission for the approval and authorization of any such proposed consolidation, merger, or acquisition. The application shall set out the terms and conditions of the proposed consolidation, merger, or acquisition and such other information as the commission may require. If it is decided, in accordance with the procedure provided in section 3, that the proposed consolidation, merger, or acquisition will be in the public interest, an order shall be issued (1) approving such consolidation, merger, or acquisition upon the terms and conditions set out in the application, or with such modification thereof and upon such other terms and conditions as may be prescribed in the public interest, and (2) granting authority to any cor-

poration or person involved in the consolidation, merger, or acquisition necessary to carry into effect the consolidation, merger, or acquisition as approved. Any such corporation or person, and any corporation or person to whom a certificate of public convenience and necessity is issued or transferred under this act, shall be relieved from the operation of the antitrust laws, as designated in section 1 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, and from all other restraints and prohibitions of Federal or State law—in so far as may be necessary to enable such corporation or person to carry into effect the consolidation, merger, or acquisition as approved and to conduct the operations authorized by the certificate.

Mr. HOCH. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. HOCH: Page 17, after line 11, insert:

"(c) No consolidation, merger, or acquisition of control shall be approved under this section if more than one of the corporations involved is engaged directly or indirectly in the transportation of persons by railroad."

Mr. HOCH. Mr. Chairman, the only purpose of that amendment is to make it clear that there is not contemplated under this section a consolidation of railroads. Several Members have expressed the fear to members of the committee that under the strict language of the section it might be possible for several railroads by combining with a motor carrier to consolidate and avoid the general consolidation provisions of the transportation act. The amendment simply provides that no consolidation or merger or acquisition of control shall be approved under this section where more than one of the corporations involved is concerned directly or indirectly in railroad transportation.

Mr. RANKIN. But it does allow the railroads to merge with bus lines?

Mr. HOCH. The amendment does not touch that question. It does not change that provision.

Mr. HUDDLESTON. Will the gentleman please repeat that?

Mr. HOCH. It does not change the provision of the section with reference to the merger of one railroad with a bus line or with more than one bus line.

Mr. JONES of Texas. What is the reason for having that specific repeal in there? Does not the affirmative provision before it carry that? The first part of the paragraph authorizes these consolidations, so that would indirectly have the effect of repealing without affirmatively doing it.

Mr. HOCH. My amendment does not bear any relation to the gentleman's inquiry.

Mr. JONES of Texas. I thought the gentleman was discussing that point.

Mr. HOCH. No.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was agreed to.

Mr. HUDDLESTON. Mr. Chairman, I move to strike out the section. Possibly some gentlemen have perfecting amendments, which would take priority of my amendment.

The CHAIRMAN. Has anyone a perfecting amendment he wishes to offer?

Mr. O'CONNOR of Oklahoma. Mr. Chairman, I have a perfecting amendment which I desire to offer.

Mr. GLOVER. Mr. Chairman, I would like to offer an amendment, too.

Mr. O'CONNOR of Oklahoma. Mine is a perfecting amendment.

The CHAIRMAN. The gentleman from Oklahoma offers a perfecting amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR of Oklahoma: Page 17, after the Hoch amendment just adopted, insert a new paragraph, as follows:

"The bonds at par of the corporation which has become the owner of the consolidated property, together with the outstanding capital stock at par of this corporation, shall not exceed the value of the consolidated companies as determined by the commission. The value of the properties sought to be consolidated shall be ascertained by the commission under section 9 of the interstate commerce act, and it shall be the duty of the commission to proceed immediately to the ascertainment of such value of the properties involved in the proposed consolidation on the filing of the application for such consolidation."

Mr. PARKER. Mr. Chairman, I make the point of order that it is not germane. There is nothing in this section that deals with stocks or bonds.

Mr. O'CONNOR of Oklahoma. It deals with certificates. It establishes the terms upon which they shall issue a certificate. I do not think the amendment is subject to a point of order.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on his point of order?

Mr. O'CONNOR of Oklahoma. Yes. I desired to be heard in favor of my amendment.

Mr. PARKER. I reserve it. Then I shall renew it.

Mr. O'CONNOR of Oklahoma. Mr. Chairman and members of the committee, I am at a great disadvantage to attempt any proper presentation of the important question covered by my amendment in the short space of five minutes. The other day the consideration of this bill was interrupted for 2 hours and 40 minutes by members who gathered at the wailing wall to make campaign speeches, and now there is only five minutes to debate this important matter.

I do not have time to recite the long history of what happened to many of our railroads due to the issuance of watered stock and the diversion of funds to other lines of business, but every year, for a period of 12 years, the Interstate Commerce Commission in their annual reports urged upon Congress the necessity of legislative action giving the commission control of stock issues. Less than 10 years ago Congress amended that act, and the amendment which I am offering here to-day places into the bus bill the identical provision which is now in the interstate commerce act relative to railroads.

There are two kinds of promoters—the promoter who is interested in developing and operating some line of business; he is interested in financing only as that is necessary to the proper carrying on and carrying out of his purpose; then there is the other kind of promoter, who does not care anything about the development or operation or success of his enterprise but cares everything about the opportunity and possibility of making money out of the financing of it. His main business is to issue and sell watered stock.

This amendment, if adopted, will not keep any legitimate concern in the bus business from securing a permit. But it will keep out of this new and fertile field this army of bright boys whose business it is to unload securities of little or no value on the investing public.

There are few fields in which Congress has a constitutional power to prevent the defrauding of the investing public and this is one of the fields open to us and we should afford this protection by adopting this amendment.

In all the talk that is being had about mergers in the various fields the most vicious phase of it all is the thing that is discussed least or not at all, and that is the opportunity which these mergers are affording for overcapitalization and the fleecing of the investing public by the sale of this watered stock.

If there is any argument against this amendment on the grounds that it will interfere with the legitimate carrier, with the investing public, or with the general public, I would like to hear it.

This bus business is in its infancy. It is a new field. No one can tell how large it will become in our rapidly expanding and developing country. But we all will admit that it affords a fertile field for fake stock promotion.

Mr. DENISON. Stocks and bonds issued by the companies can not be used to affect the rates. This bill does not take that into consideration.

Mr. O'CONNOR of Oklahoma. The point I am making is that the purpose of the amendment is that when it comes to the issuance of a permit, the commission will be required to take that into consideration so that the permit can not be issued and used as a vehicle for selling watered stock, but as a permit to engage in the transportation business.

If this amendment is not placed in this bill some of these bus companies will have enough water in their stock that if they wanted to use it for navigation they could operate boats instead of busses! [Laughter.]

The American people have become stock-minded in making their investments. The great industrial development of our country is being carried on by and through corporations.

This is too big a country to be served by little men and little corporations. And every time that the American investor is sold watered or fake stock, his confidence in all stock investments is shaken. And the great legitimate industrial enterprises of the country are to that extent deprived of this source of capital and the public are scared away from the opportunity of profitable stock investments.

You pass this bill without adopting my amendment and then the watered stock will be sold and the investing public will be defrauded, and when the commission refuses to approve a rate that is satisfactory to a concern who has issued this watered stock, they will go into court and the courts will do what has already been done again and again. They will force the general or the traveling public to pay a fare which will yield a

return on stock which never should have been issued, and for which there is no physical or other assets to justify its issuance.

Unless this bill will not only give us adequate bus service under proper regulations and guaranteed responsibility of the carriers, but also transportation at lower rates than now furnished by the railroads, I see no purpose whatever in cluttering up our highways with these big busses, wearing out the pavements built and paid for by the people, and crowding our Fords into the ditches. And in the long run the traveling public will not have lower rates on the busses if these mergers and consolidations are not safeguarded by limiting the capitalization and issue securities of the various companies that are being consolidated or merged. It is childish to expect that history will not repeat itself. The same thing will happen again in the bus business that has already happened in the railroad business.

Congress closed the door on the railroads after the horse was out!

This amendment is asking you to close the door now, by making this amendment a part of the bus act when the act is adopted, instead of waiting 30 years to amend it as was done in the case of the interstate commerce act governing the railroads. [Applause.]

Mr. PARKER. Mr. Chairman, I renew my point of order.

The CHAIRMAN. The gentleman from New York makes the point of order that this amendment is not germane.

Mr. RAMSEYER. Mr. Chairman, are we going to have the reason stated for the point of order?

Mr. PARKER. I will ask the gentleman is there anything in this section that relates to stocks and bonds?

Mr. RAMSEYER. The bill is full of stocks and bonds. The bill effects consolidations.

Mr. O'CONNOR of Oklahoma. If you do not take the water out of this bill, there will be some of these companies that will run boats instead of busses. [Laughter.]

Mr. RAMSEYER. Mr. Chairman, I am not discussing the merits of the amendment now. Where did the gentleman get this amendment?

Mr. O'CONNOR of Oklahoma. It is taken verbatim from the interstate commerce act. It appears in the compilation at page 20, section (b). I copied it from there as I thought it would have the dignity and prestige of a former congressional act.

Mr. RAMSEYER. In what subhead does it appear? Does it appear in the subhead on consolidation of railroads?

Mr. O'CONNOR of Oklahoma. It is part of section 5.

Mr. PARKER. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman from New York withdraws the point of order.

Mr. RAMSEYER. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Iowa [Mr. RAMSEYER] care to discuss the point of order?

Mr. RAMSEYER. No. The point of order has been disposed of. It has been withdrawn, I understand.

The CHAIRMAN. The gentleman from Iowa [Mr. RAMSEYER] is recognized to discuss the amendment.

Mr. RAMSEYER. I would like to get a little information. It just appealed to me as the amendment was read and discussed, that there was some merit in the amendment, and I would like to know what objection the committee has to the amendment. What objection could there be, when there is consolidation of these properties, to require, in getting the value of those properties, not to exceed the par value of the capital stock and bonds of the individual organizations that are consolidated?

A little further on in the bill there is something about determining the justness of rates. That is on page 20, paragraph (e). It is stated there what elements shall not be taken into account in fixing rates. Certainly the commission that is going to fix rates for these bus lines is going to take into consideration some elements, and the amendment offered by the gentleman from Oklahoma points out a course of getting at the valuation of these consolidated properties that may be of aid in fixing rates and fares provided for in the bill. It is stated, of course, that they shall be just and reasonable, and the elements that are to be taken into account, of course, are well known to the Interstate Commerce Commission and students who follow the proceedings of the Interstate Commerce Commission.

Mr. BURTNESS. Will the gentleman yield?

Mr. RAMSEYER. Gladly; I am seeking information.

Mr. BURTNESS. There would be no objection to the amendment offered by the gentleman from Oklahoma if this bill gave to the commission or any other agency power to control the issuance of stock and securities of the carriers in the same way as the Interstate Commerce Commission controls the issuance of securities of the railroads. If that were done, if there were any

such general provision in the act, then of course the amendment offered by the gentleman from Oklahoma [Mr. O'CONNOR], taken from the transportation act, would be germane and would be a very fine and a very proper safeguard. But, as this bill is drawn, there is no power given to the commission to control the financing of the carriers or the issuance of securities of any sort.

Mr. RAMSEYER. Who controls that?

Mr. BURTNESS. No one controls the issuance of securities, and the amount of the securities that are issued by any carrier can not, in any instance, under the language of this bill, become any factor in determining the rates. Neither is there any occasion or power to determine the valuation of properties except in such cases as complaints are filed as to the rates or fares charged.

Mr. RAMSEYER. Does not the gentleman think that if we get at the values as provided for here, it will aid the commission in fixing the rates?

Mr. BURTNESS. No; not at all.

Mr. RAMSEYER. Why not?

Mr. BURTNESS. Because the test in passing upon rates is the question of what are just and reasonable charges, which words have been construed by the Interstate Commerce Commission time and time again, when a similar mandate was in the law, as to rail rates. Of course, such language was not included in the transportation act of 1920.

Mr. RAMSEYER. Suppose a corporation has a million dollars of \$5,000,000 invested. Certainly that is going to be taken into consideration in fixing the rates.

Mr. BURTNESS. The value of the property that is invested and used for carrier purposes will, of course, be taken into consideration.

Mr. RAMSEYER. There is nothing here that provides for that.

Mr. BURTNESS. That is contemplated in determining the question of whether rates are just and reasonable, under the holdings that have been made by the commission from time to time, but, whether that carrier has a bond issue outstanding upon its property which may exceed or be less than the value of his property, will not in any way affect the rates that will be determined by the commission under this question, or that may be passed upon by the commission under this bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. RAMSEYER. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. Without objection, the gentleman from Iowa is recognized for three additional minutes.

There was no objection.

Mr. MOUSER. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. MOUSER. Is it not a fact that when rates are considered, after a valuation of the property has been fixed, necessarily accountants must go through the books of the company to determine what is the necessary rate? Therefore, when it comes to issuing this stock and how much shall be permitted to be issued, in determining that feature alone they must know the financial status and condition of the company.

I think the gentleman's amendment is well taken.

Mr. LAGUARDIA. Will the gentleman yield on that point?

Mr. RAMSEYER. Yes.

Mr. LAGUARDIA. Is it not a fact that after the Interstate Commerce Commission does fix a rate and the rate does not yield a certain return to the stockholders then the stockholders run to the courts on the ground that the rate is confiscatory? We have that every day.

Mr. O'CONNOR of Oklahoma. And is not this true, that if you do not prevent the issue of watered stock now you can not correct the harm after the stock is in the hands of investors?

Mr. RAMSEYER. It would not hurt to have an honest ascertainment of the stocks and bonds that have been actually and in good faith issued on the property of the consolidated corporation.

Mr. O'CONNOR of Oklahoma. Let us just play we are the Interstate Commerce Commission. Suppose an outfit comes in and asks for a permit, and they show that their capitalization is ten times what their assets are? Might it not occur to us that they do not care about carrying people, but what they want to do is to sell them this watered stock?

Mr. RAMSEYER. I think this amendment is worthy of consideration, and I hope the members of the committee who desire to vote against the amendment will give the Members of the House some good and sound reason for opposing the amendment.

Mr. O'CONNOR of Oklahoma. I could win the committee if I had the time, but you can not make love in five minutes.

Mr. RAYBURN. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection the Clerk will again report the amendment.

There was no objection.

The Clerk again reported the amendment.

Mr. DENISON. Mr. Chairman and gentlemen of the committee, I think it was in 1913 that Congress passed the act providing for the valuation of railroads. Under that act Congress has been spending millions of dollars every year in the process of valuing the railroads. The legislation we are now considering does not attempt to go as far in the regulation of motor busses as does the interstate commerce act in the regulation of railroads. The subject matters of the two laws are in no way relevant. We are going as far as we thought it necessary at this time, but now this amendment brings into the bill an entirely new subject, and would launch the Interstate Commerce Commission into the work of valuing the bus lines of the country. I do not think that is necessary at this time. The matter is not of sufficient importance to justify entering upon the policy of making a valuation of all the property of all the bus companies of the country. Neither Congress nor the States have done anything with reference to the regulation of the rates of bus companies as yet, so I do not think this amendment has any pertinent place in the bill. This is not supposed to be a blue sky bill, anyway. If there should be any attempt to water their stock, certainly the securities laws of the States would regulate that matter. I do not think we should try to stretch this bill into a bill to provide for the valuation of the property of busses, or into a blue sky bill.

Mr. PARKER. Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma [Mr. O'CONNOR].

The question was taken; and on a division (demanded by Mr. O'CONNOR of Oklahoma) there were—ayes 76, noes 83.

Mr. O'CONNOR of Oklahoma. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. PARKER and Mr. O'CONNOR of Oklahoma.

The committee again divided, and the tellers reported that there were—ayes 65, noes 86.

So the amendment was rejected.

Mr. PARKER. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 20 minutes.

The motion was agreed to.

Mr. GLOVER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GLOVER: On page 17, in line 2, after the word "shall," insert the word "not," and after the figures "1914" strike out the comma, insert a period, and strike out the balance of line 6 and all of lines 7, 8, 9, 10, and 11.

Mr. GLOVER. Mr. Chairman, to my mind this is one of the most iniquitous sections of this whole bill, and I believe there is more in it that may be used to the detriment of the people in this section than any other section.

This bill as it is written provides that the antitrust laws of the United States and of the States that are affected by this measure are to be repealed, and refers to the act specifically. The act that it refers to and seeks to repeal is this:

Be it enacted, etc., That "antitrust laws," as used herein, includes the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies."

You claim that this bill is in the interest of the public and not in the interest of the railroads and not in the interest of the bus carriers; that it is for the public convenience and the public interest. I want any of you on the committee or anyone else in this House to tell me where and when the public has demanded that you repeal the antitrust laws of the United States, specifically referred to here, which prevents unlawful combines, mergers, and monopolies.

I ask you why it becomes necessary in this bill to repeal all of the antitrust laws which affect or might affect mergers and monopolies? Do you know what you are doing in this bill? You are absolutely saying to the bus lines and to the railroads that merge with them—and this provides for the merger of them—you are saying to them that they can go out and do under this bill what they are not permitted to do now as railroad companies or as bus companies. You are absolutely saying

in this bill that they can go out and form monopolies and mergers, and that all of these laws are repealed and do not affect them.

Here is the iniquity of this whole bill. I said to you the other day in a speech on the floor of this House that many of you did not hear, but should have heard, that in this section was the poison of this bill. If you will put the railroads and bus lines under the control of the laws that exist now—which you have enacted and said were good for everybody else—if you will put these people under those laws you will find they do not want this bill as badly as they have made it appear up to now.

This section provides for the merger of railroads and bus lines, and I want to say to you that those who are to enter into these mergers are not greeneyed. They know what they are going to come in contact with when they undertake to go out and form the trusts and monopolies that they are going to undertake to form under this bill, and I say to you that they want the present laws out of the way. They do not want to come under the provisions of the present law, that every other corporation and every other individual has to live under.

I would like to know who it is that can go back to his constituency and tell them that we passed a bill in the interests of the public and that in order to protect the public we repealed all the antitrust laws of the United States Government. Can you afford to go back home and do that? You ought not to vote for this section in the bill as it is written, because it is not right to the public, it is not right to anybody, it is giving a special privilege to those who want to form a monopoly and want to go out and do something that they can not now do under existing law.

I would like to know who it was, Mr. Chairman, that wrote this section in the bill. Is the committee the author of this section?

Mr. PARKER. Absolutely.

Mr. GLOVER. The committee, then, wants to relieve them from any laws that we have now, and they are for monopolies; is that what the gentleman means?

Mr. PARKER. As far as necessary to carry out an order of the Interstate Commerce Commission when the commission finds that the subject of the order would be in the public interest; yes.

Mr. GLOVER. As far as necessary. Well, it will be necessary for them to go just as far as the limits will permit, the heavens above and the lower place below. There is no limit to where they will go if you repeal the acts that affect them now.

What is the necessity for this section? How is the public going to be protected?

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

The question is on the amendment offered by the gentleman from Arkansas [Mr. GLOVER].

The question was taken; and on a division (demanded by Mr. GLOVER) there were—ayes 36, noes 87.

So the amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: On page 17, line 11, add a new section, as follows:

"SEC. 10. The provisions of sections 62, 63, 64, 65, and 66 of title 45, United States Code, shall be applicable to a common carrier by motor vehicle."

Mr. PARKER. Mr. Chairman, I make a point of order on the amendment. I will reserve it.

Mr. LAGUARDIA. No; the gentleman had better make it, Mr. Chairman. I am offering this amendment in good faith and if it is subject to a point of order we might as well know it.

Mr. PARKER. My point of order, Mr. Chairman, is that the amendment is not germane to the subject matter. This is the merger section of the bill and the amendment has to do with hours of labor.

Mr. LAGUARDIA. Yes; that is true.

My only basis for the amendment is found on page 4, paragraph 2, which gives the commission the power to fix the maximum hours of service of employees. I offer my amendment as a new section. Now, somewhere in the bill a section of this kind must be germane. It has no relation to the section which has just been read. I will concede that, but I am offering it as a new section, and as such it relates to one of the subject matters in the bill itself. As I have just stated, the bill, in paragraph 2 of section 2, gives authority to the commission to fix maximum hours of labor and I simply make applicable to com-

mon carriers by motor vehicle, as described in this bill, the provisions of law as to labor of employees on railroads.

Mr. PARKER. This section deals with mergers.

Mr. LAGUARDIA. It is not germane to the section, but it is a new section and germane to one of the subject matters and purposes of the bill.

The CHAIRMAN. The Chair is ready to rule.

The Chair is of the opinion that the gentleman's amendment would have been germane to subdivision 2 of section 2, but the Chair is of the opinion that the amendment is not germane at the place offered and, therefore, sustains the point of order.

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent that my amendment may now be considered as an amendment to section 2, page 4, after line 19.

The CHAIRMAN. The gentleman from New York asks unanimous consent to return to subdivision 2 of section 2, on page 4, for the purpose of offering an amendment. Is there objection?

Mr. PARKER. Mr. Chairman, I object.

Mr. HUDDLESTON. Mr. Chairman, I move to strike out section 9.

The CHAIRMAN. The gentleman from Alabama offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUDDLESTON: Beginning on page 15, line 15, and ending on page 17, line 11, strike out all of section 9.

Mr. HUDDLESTON. Mr. Chairman, section 9 of this bill, which I have proposed to strike out, is the section which authorized consolidations and mergers between bus lines and between bus and railroad lines.

My views upon this section, as appeared in the bill as reported by the committee, were stated in my minority report. I can not do better than to quote the part of the minority report referring to this section:

By section 9, consolidations, etc., between bus lines and between bus and rail lines are authorized. Such consolidations are to be permitted without limit when found by the commission to be "in the public interest." No other consideration is to be entertained. This section is subject to every objection which can be urged against the consolidation of railroads, and in addition to the objections (a) that there is no safeguard for the protection of short lines and feeders; (b) that the consolidations are not required to be in pursuance of any general plan or system of grouping; (c) that the railroad consolidation bill does not authorize the acquisition of competing bus lines; (d) that a bus company may acquire competing rail lines without number; and (e) that no protection for minority interests in either rail or bus lines is provided.

This section overrides the laws of the States in which the bus companies were chartered. Where they interfere with the acquisition of other carriers, competitive or otherwise, it strikes down all prohibitions and limitations imposed by the State upon its corporate creature as the condition of its creation. It makes of the corporate creature of a State a power superior to the State which created it and which may laugh at the ordinances of its creator. It clothes the corporate creature of the State with Federal powers and probably relieves these corporations of their responsibilities to the State without imposing upon them any corresponding responsibility to the Federal Government.

The bus business is yet in its infancy. With the completion of links under construction, a system of many through national highways is rapidly being developed. When the contemplated highways are completed, we may look for a vast expansion of bus lines, the extension of existing lines, and the creation of many new routes of motor transport. It would seem quite premature, in the present state of development of the bus business, to provide for unlimited mergers and consolidations.

It is significant that in this, the first legislation by which Congress takes cognizance of the bus business, we should provide for wholesale consolidations. By this bill, which for the first time provides for the certificate, a device by which a monopoly is to be created, we also provide for consolidations, a means by which the monopolistic franchise or privilege may be realized upon. By facilitating the transfer of the monopolistic privilege we encourage extensions of the monopoly and the consolidation of the separate monopolies into a few hands. It is safe to predict that, within a dozen years, practically all of the important bus lines will be owned by a few big companies, and that it is but a matter of time before the rail carrier interests will have absorbed practically the whole system of bus transportation. Every argument against monopoly is denied by this bill. It violates every principle in opposition to the aggregation of vast interests vital to the life of a people. It invokes every danger from the social, economic, and political power of inordinate accumulations of wealth.

The two prime purposes of the railroads and the bus operators in pushing for this bill was first to get a monopolistic franchise or privilege through the device of the certificate of convenience and necessity provided for by section 4; and second, to be en-

abled to realize on that monopoly by selling it to somebody else, as provided for by section 9.

Section 9 is not essential to the regulation of motor carriers. It has no necessary nor even proper place in this bill. Without it the bill would fully cover the subject of regulating the bus industry. The only purpose to be served is to facilitate mergers and consolidations in which the public has very slight interest, but in which only speculators, stock jobbers, and exploiters stand to be profited.

The question was asked during general debate what percentage of the bus lines the railroads now own. I could not answer it for nobody knows. We do know that. They own a large and rapidly increasing percentage of the lines. In many sections of the country the railroads have already monopolized the bus business. When asked what percentage of the bus lines were owned by the railroads, I said:

Nobody knows; but the percentage is very large. Some are owned openly, but many of them are owned secretly. If the gentleman had asked how many the railroads will own 20 years from to-day I would have replied: Every one worth owning will be owned by the railroads.

It is highly significant that in this bill by which, for the first time, Congress deals with the bus business, we provide for the certificate which will give a special monopolistic right, and proceed with another section of the bill to provide a means by which the franchise may be realized upon. We create a special privilege, then provide a means by which the privilege may be passed on to others. The railroads are rapidly absorbing the bus business of the country. Many more of the interstate lines are trying to sell out to the railroads, but the latter say, "You have nothing to sell." They come and get this bill, then they have a franchise to sell. Section 9 of the bill provides a means whereby they can pass that franchise to the railroads. It provides for consolidations without limit. It furnishes a means whereby the railroads may acquire the competing bus lines. It seems certain that within a few years all of the important bus lines will be owned by the rail carriers, or be affiliated with them, so that there will be no real competition.

The obvious purpose of insistence on this section is to enable the rail carriers to still further absorb the bus business of the country. It is certain that if we pass this bill with this provision in it, within 10 to 20 years there will not be an independent bus line in the United States.

I can not discuss this subject adequately in the limited time I have. I shall not attempt more than to call it to their attention, so that those who have not studied the bill may know that what you are driving for and what you are voting for is to enable the railroads to monopolize both rail and motor transportation. Some may think that is a good thing to do. All right; then their position is in favor of this section. If they do not favor that, then their votes must be in favor of striking out this section.

But that is not all the vice there is in this section. It overrides every State law intended to prevent consolidations of competing carriers. It authorizes carrier corporations to consolidate, when the constitutions and laws of the States which created the corporations forbid such consolidations. Shall we assassinate the right of the States to limit the powers of the corporations which are their own creatures? Shall we make of the corporation a creature superior to the authority that brought it into the world and gave it existence? I say no. [Applause.]

Under leave to extend my remarks I include the minority report on the railroad consolidation bill. It is as fully applicable to bus lines as to rail lines.

VIEWS OF THE MINORITY

The undersigned members of the Committee on Interstate and Foreign Commerce dissent from the views of the majority in reporting H. R. 12620. Among the many reasons for our dissent are the following:

BILL TOO AMBITIOUS IN ITS SCOPE

(1) The provisions of the transportation act of 1920 which relate to unification of carriers were hastily and ill considered and are admittedly inadequate. Paragraph 2 of section 5, which authorizes unifications which do not amount to consolidations or mergers, is too elastic in certain particulars and too rigid in others. Paragraphs 4, 5, and 6 have been found unworkable, for the reason that they require the Interstate Commerce Commission to authorize unifications only after the adoption of a complete plan for the consolidation of all railroads into a limited number of systems. This the commission has found it impracticable to do, as it was too ambitious a plan and one that no man or commission had the wisdom or the foresight to be able to put into effect. The minority was willing and desirable of joining in the correction of these defects in the existing law. A recommendation that this be done has been made by the Interstate Commerce Commission in its report to Congress for 1925, 1926, and 1927 in the following language:

"That paragraphs (2) to (6), inclusive, of section 5 of the interstate commerce act be amended (a) by omitting therefrom the existing

requirement that we adopt and publish a complete plan of consolidation; (b) by making unlawful any consolidation or acquisition of the control of one carrier by another in any manner whatsoever, except without specific approval and authorization; (c) by giving us broad powers upon application and after hearing to approve or disapprove such consolidations, acquisitions of control, mergers, or unifications in any appropriate manner; (d) by giving us specific authority to disapprove a consolidation or acquisition upon the ground that it does not include a carrier or all or any part of its property which ought to be included in the public interest and which it is possible to include upon reasonable terms; (e) by modifying subparagraph (b) of paragraph (6) so that the value of the properties proposed to be consolidated can be more expeditiously determined; and (f) by providing that in the hearing and determination of applications under section 5 the results of our investigation in the proceeding in our docket known as No. 12964, Consolidation of Railroads, may be utilized in so far as deemed by us advisable."

This provision the majority was unwilling to adopt, but under the guise of meeting this recommendation the committee has approved this bill, which covers a much broader field than the recommendation, and, in our opinion, deals with aspects of unification never considered by the commission, or at least not recommended by them, and which are altogether unnecessary for the correction of such defects in the existing law as the commission has pointed out. Therefore, one of the fundamental faults of the bill is that it is too ambitious in its scope. Had the committee confined its efforts to meeting the recommendation of the Interstate Commerce Commission, even that would have required a great capacity to deal with a highly complex subject. They have sought by the bill to cover, to its remotest extremity, the entire field of railroad unification. They have consciously omitted no detail which might now or hereafter, in our opinion, require legislation. They have sought to enact a complete code of laws and to mold, with a single cast, a system which would not only meet existing conditions, but be sufficient for all time. We believe that we should go only so far this time as experience has demonstrated would be safe and sound, and that much danger is to be encountered by going beyond the point where experience and knowledge extend. In a question as great and broad as the vast field of transportation, extreme caution should be used in dealing with the subject. We should legislate, not with a view to finality, but with a reservation to do only that which may be required by the present, and thus gain experience for future legislation of a more permanent nature. To do otherwise might work great harm and ultimate disaster.

POLICY OF BILL IS NOT MERELY TO PERMIT BUT TO "ENCOURAGE" CONSOLIDATION

(2) Another fundamental fault with the bill is that it is written from the point of view that all consolidations are good and that all should be facilitated. The majority, in their report, frankly say:

"Argument is not necessary to support the soundness of the policy of encouraging and authorizing the unifications of railroads."

It is obvious, we submit, that unifications are not desirable merely as such, and that a consolidation or merger may be productive of great harm unless it is proper and desirable of itself and the public interest adequately safeguarded. We most emphatically dissent from the views of the majority when they say that consolidation, as such, should be encouraged. We do not believe that it should be the policy of Congress to invite and urge railroads to throw themselves at once into consolidated systems.

We believe that this invitation would be taken by the railroads throughout the country for them to hastily consolidate their properties. We are of the opinion that the passage of a law that only permits the unification of the railroads without the urge is all-sufficient and that consolidation and unification when they do come should be by a gradual and natural process. It is very much to be feared that with the passage of this bill there would be the most destructive riot of speculation in railroad securities that has ever been seen in the country. As evidence of the fact that enactment of this bill would have a tremendous influence in this direction, we have but to note the increased speculation in railroad stocks and the inflation in values since the vote of the committee to report this bill favorably.

Section 203 of the bill is too latitudinous in the grant of powers to the Interstate Commerce Commission. It clothes the commission with practically unlimited discretion in the allowance of unifications, which, in their opinion, may be in the public interest. The commission is not required to base their action upon a finding of fact, nor to form their opinion under the influence of any given set of principles. While the commission is directed to consider certain factors in reaching their conclusion, the weight which shall be given to these factors is not prescribed, nor, indeed, is it made essential that any weight at all shall be given to any or all of them. Surely Congress should not delegate to the commission, which is merely its agency, such a generous share of its own responsibilities.

A BANKER'S BILL

(3) The bill is written more from the standpoint of railroad financiers and big bankers than that of railroad operators.

The existing law, as found in paragraph 6 (b) of section 5 of the interstate commerce act, is as follows:

"The bonds at par of the corporation which is to become the owner of the consolidated properties, together with the outstanding stock at par of such corporation, shall not exceed the value of the consolidated properties as allowed by the commission."

The bill sponsored by the majority repeals this provision. In the bill as first proposed in the committee a section similar to this was introduced, but before the bill was reported it was stricken from the bill. Why, we ask. For more than 30 years many of the States have had laws forbidding a railroad corporation to have securities outstanding in excess of the value of the properties. No undue hardships have been worked on any railroad corporation. We believe that this provision should be restored to the law. There was a long fight waged in Congress before the commission was given the authority to forbid the issuance of spurious and unnecessary securities. Finally, section 20a of the interstate commerce act was passed, giving the commission full authority to approve or veto any application for issuance of securities. May we ask if this is not the entering wedge to defeat this very salient provision of the law which only demands that railroads shall hereafter be honestly capitalized? Why should a railroad company be permitted to issue stocks and bonds far in excess of the value of its properties? The railroads are glad, indeed, to have their rates set on value. Why are they not willing to have their capital based on value?

Without the repeal of this provision the commission would not have the power to allow the consolidated corporation to issue stocks and bonds in excess of the value of the properties. Will the commission take the repeal of this provision as consent of Congress for them to approve issuance of securities far in excess of the value of the properties?

In considering the proposed "Nickel Plate" consolidation the commission criticized the feature of the plan which placed control with promoters who might own less than a majority of the stock. This practice condemned in that case is legalized by the pending bill. It does not forbid the issuance of nonvoting stock, nor the control in numerous devious ways of the unified corporation by those who may own little or none of its securities. Our position is that sound public policy requires that responsibility for the control of a carrier should rest with those who own its securities, and that any different system encourages manipulation and sharp practice, harmful both to the public and to the interests of the corporation itself.

The bill does not forbid the practice of the new and ingenious device of financial manipulation in the issuance of non-par-value stock. We deem this harmful to the public as encouraging stock jobbing and speculation.

RUTHLESS VIOLATION OF STATE RIGHTS

(4) The bill, in our opinion, to the mind of anyone who has any regard for the rights of States and their power to in any way control their own creatures, should appear insuperable in the fact that it provides for a ruthless disregard of all limitations placed upon corporations by the States under which they are organized.

Sections 210 and 211 of the bill clothe carrier corporations, created by the States, with vast Federal powers. The States, in the exercise of their reserved powers, have granted certain of their sovereign authority to carrier corporations. These creatures of the States have accepted their charter powers subject to strict limitations and under corresponding responsibilities.

For instance, in the case of Nebraska and numerous other States, a carrier corporation is not permitted to acquire a competing line, while in Texas, and probably other States, the corporation is not permitted to operate outside of the State. This bill strikes down these limitations, and allows these artificial creatures of the State to hold on to powers which were conferred upon them by the State, and to accept greater and additional powers from the Federal Government, though thereby the corporation may violate the laws of its creation. The Nebraska corporation is empowered by this bill, its charter limitation to the contrary notwithstanding, to acquire a competing line of railroad. The Texas corporation is empowered to operate in other States without regard to prohibitions of the Constitution and laws of Texas.

We believe that there has really rarely been in our history a more fundamental invasion of the rights of the States than as provided by this bill, i. e., the assumption by the Federal Government of the power to clothe State corporations with Federal power, and in so doing to strike down the limitations and restrictions provided by the State for the control of its creatures. It may well be doubted that the Federal Constitution permits Congress to clothe the corporation created by a State with powers inconsistent with the laws of the State which chartered it.

Another ruthless invasion of the reserved powers of the States is found in section 214 of the bill. That section undertakes to strike down their powers of taxation, to specify wherein and how they may be exercised.

Further, the bill grants large and important Federal powers to corporations, and this without requiring the beneficiary of congressional

generosity to assume any corresponding burdens or responsibilities. In short, the corporations yield no consideration whatever in exchange for the new franchises and powers which are conferred upon them. The benefits conferred are in the form of a clean gift from Congress.

It is certain that the railroad corporations now enjoy various rights and powers which neither Congress nor the States which chartered them have power to take away. Experience and modern practice recognize that certain of these powers exceed what the public interest requires that the corporation should have. These powers, now become improper and excessive, the corporations should be required to surrender, as the price of availing themselves of the benefits conferred by this bill. For instance, the public interest seems to require that a carrier corporation should hold only such powers as are reasonably required to enable it to function as such. It should not engage in dealing in merchandise or real estate or in the banking business. It should be required to give up such powers as the consideration for consolidation or merger.

Carrier corporations might well be required, as the price for the benefits conferred by this bill, to accept the valuations of their property made by the Interstate Commerce Commission, or to surrender the right to have counted, as an element of value upon which they may earn a fair return, that part of the valuation upon rights of way and other real estate which may be in excess of their prudent investment in same.

The opportunity to require concessions from the railroad corporations, which Congress is yielding up by this bill, may not come again. The failure to take hold of it now may result not only in jeopardy of the public interest, but in serious legal difficulties in the future.

The objection to Federal charters for railroad corporations is based upon a regard for States' rights. But for that principle no doubt Federal charters would already have been conferred upon such corporations.

We therefore believe that this bill is destructive of competition between carriers in service, as it will allow the consolidation of the parallel and competing lines. For instance, the so-called Looe proposal, consolidating the Kansas City Southern, the Missouri, Kansas & Texas, and the Cotton Belt, would, in our opinion, destroy practically every vestige of competition in the territory that they now serve. If those three railroads are consolidated, what reason would there be for improving the service for the reason that they would get all of the business anyway by running trains either slow or fast?

We further call attention to paragraph 2 of section 210 of the bill, which provides, among other things, that any common carrier and its officers, directors, agents, and employees shall be relieved from the anti-trust laws, from all restraints and prohibitions of the laws of the United States; and, except in case of a corporate consolidation, from all restraints and prohibitions of the laws or constitutions of any State or the desires or orders of any State authority. In so far as it may be necessary or appropriate to enable such carrier or its officers, directors, and agents to enter into and carry into effect such plans.

We feel that this is one of the most unjustifiable features of the bill in that it seeks to relieve the railroads and the commission from the operation of the antitrust laws by this provision and any laws of any State or of the United States may be set aside and declared null and void in the discretion of the commission if the commission were of the opinion that it was necessary to do so in order to carry out its wishes with reference to unification. No such broad power should be granted by Congress to any man or set of men. To us it seems unthinkable that the Congress would say to any bureau or any commission that in carrying out some plan or some purpose that it be allowed to indiscriminately and at will set aside not only the specific law but all restraints and prohibitions of any law or laws of the United States.

SHORT-LINE RAILROADS

(5) In the beginning of the advocacy of railroad consolidation under the vast scope of this bill it was strongly urged in its favor that it would care for and take into the consolidated systems all weak or short lines. It is our opinion that the so-called weak and short lines are as vital to the communities that they serve as the trunk line is to the community served by it. We believe that these feeders and pioneers in the field of transportation should be preserved and fostered and that when consolidation does come and when application for consolidation is pending before the Interstate Commerce Commission that the railroads and the commission should be given to understand distinctly that it is our policy that these short and weak lines that are necessary and vital to the economic life of any community should be taken care of and the railroad management not allowed to consolidate only the properties of the rich, desirable railroads and leave these pioneer railroads to starve and become streaks of rust and these communities be destroyed. The owners of short-line railroads are hoping that they will be taken into these consolidated systems, but the testimony before the committee will not give much hope to their wish. One witness, representing one of the biggest groups in the country, in his testimony gave the committee to understand that if the Government wanted the short, weak, and unprofitable railroads to be taken care of, he desired the Government to do that itself. A weak railroad this year may be a strong, rich road

next year, mines may be opened up along its way, oil fields may be developed, and ranches turned into farms. Therefore, we repeat, why the urge and undue haste for the consolidation of railroads when time and experience may develop wholly different conditions.

BILL FAVORS MAJORITY STOCKHOLDERS

(6) This is a majority stockholders' bill. While it enables a dissenting minority to obtain payment for their stock on a valuation, it deprives them of the power of veto. Minority stockholders who have acquired shares in a corporation, which, under its charter, had no power to merge with another corporation, will find that such powers are granted by this bill. It will be a great error to assume that the unification of two or more carriers will not be made in cases in which the control of all of the corporations is held by a single group of financiers, who will show little regard for the rights of the minority, and will be moved by selfish and unfair consideration to themselves.

HOPE OF REDUCTION IN RATES

(7) The President in his message to Congress at the beginning of this session stated that the "purpose of consolidation is to increase the efficiency of transportation and decrease the cost to the shipper." Nowhere in the testimony of the railroad managers and experts who appeared before the committee is there held out the promise that rates and charges will be reduced because of consolidation. In the beginning of the discussion of the ambitious scope of this bill it was held out everywhere and at all times that in consolidation great economies would come about that would be reflected in the rate structure of the country. No testimony before the committee of the railroad managers or experts held out any promise or hope that there would be substantial, if any, reduction in rates, but all denied that freight-rate reduction would result from the operation of this bill. The economies in which the people are interested and the only one that they believe would be an economy is such economy that would be reflected in the reduction of rates. If this be true, then we ask what are the people to hope for from the passage of this bill? They may expect gigantic combinations of railroads and capital with all of its economic and political influence, with its menacing hazards, and its uncertain destiny. The measure is in line with the policy of government favored by those now in control with which we do not agree. The policy consists of abandoning, or to use a more euphonious term, delegating the real control and protection of the people's rights to this, that, and the other agency.

Before any more great grants of power are given to the commissions and bureaus of the Government it would be well to wait the outcome of the vast power we have already lodged in some of our bureaus and commissions.

We further believe that the Congress should firmly hold at all times to its rights to determine the policies of the Government and the policies and laws under which all of its creatures shall operate.

For these and many other reasons that we will later assert, we can not support the proposal.

SAM RAYBURN.
GEORGE HUDDLESTON.
TILMAN B. PARKS.
ROBERT CROSSER.
ASHTON C. SHALENNBERGER.
JACOB L. MILLIGAN.
GEORGE C. PEERY.

Mr. PARKER. Mr. Chairman, this provision in the bill was very carefully considered for many days by your committee. There is no question of doubt but what the average public that wants to ride in the motor bus should have every facility for doing so, and that there should be busses enough on the road to accommodate the public. But there is some one else to be considered beside the people who ride in busses. Because when there is one person that rides in a bus there are 25 and probably more who ride in private cars. The public has built the roads. It is aggravating to hear gentlemen talk about monopoly, as though the only thing to be considered in discussing this question is the transportation by bus. Probably many of you have been driven into a ditch by a big motor bus coming down the road. The man in a private car has some rights. Of necessity we must insert a provision in this bill whereby when the Interstate Commerce Commission says it is in the public interest, the carriers may be allowed to combine and buy out each other.

Mr. HAMMER. Mr. Chairman, will the gentleman yield?

Mr. PARKER. No.

Mr. NELSON of Maine. Mr. Chairman, will the gentleman yield?

Mr. PARKER. I yield to the gentleman from Maine.

Mr. NELSON of Maine. Is it not true that under present conditions the railroad companies either directly or through their subsidiaries are rapidly buying up the bus lines without any supervision whatever?

Mr. PARKER. Yes.

Mr. NELSON of Maine. And if this bill becomes a law, they will then have to have the approval of the commission?

Mr. PARKER. That is true.

Mr. HUDDLESTON. Mr. Chairman, will the gentleman yield?

Mr. PARKER. Yes.

Mr. HUDDLESTON. I call the gentleman's attention to the fact that this provision strikes down the antitrust law, it strikes down the laws of every State, whereas now these carriers can not buy out competing lines. They are forbidden from doing so.

Mr. PARKER. Mr. Chairman, in answer to both gentlemen, the gentleman from Maine is entirely right. The railroads are now buying up these lines where it is lawful to do so. In many cases the bus lines are bought up and the purchaser takes a chance that it is not in violation of the Clayton Act. This bill specifically prohibits that. Any railroad or bus line that wants to buy a competing line must have the consent of the Interstate Commerce Commission if this bill passes. The Interstate Commerce Commission must find that it is in the public interest; and, personally, as I said before on this floor many times, I am perfectly willing to trust the Interstate Commerce Commission and their judgment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. HUDDLESTON) there were—ayes 46, noes 94.

So the amendment was rejected.

Mr. HULL of Wisconsin. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HULL of Wisconsin: Page 15, line 20, strike out all after the word "unlawful" and insert a period. In line 21 strike out the word "provided." Strike out all of subsection (b) of section 9 on pages 16 and 17.

Mr. MAPES. Mr. Chairman, I make the point of order that this motion comes too late. The motion already voted on is to strike out the section.

The CHAIRMAN. The Chair overrules the point of order inasmuch as this strikes out a part of the section.

Mr. HULL of Wisconsin. Mr. Chairman, this amendment is similar to that which has just been defeated, only it leaves in that part of this section which would prevent the merger of motor-bus corporations.

We have before this Congress at this time three congressional investigations of so-called mergers, trusts, or combinations in restraint of trade. Here in this bill is a provision which furnishes the opportunity to form probably one of the greatest mergers or trusts this country has ever known, and that provision not only helps to establish it, but at the same time it makes it legal.

If this provision goes through, and such a monopoly is established, we then shall have the spectacle of one of the largest monopolies in the country, appropriating our State highways, operating by special consent of Congress, and superior to all laws governing monopolies and trusts.

It is not necessary that this section shall be in the measure. It is not necessary to have a section or subsection authorizing anybody to combine one line with another, because you have other provisions of the bill for that purpose. All that it is necessary for any company owning one line to do in order to acquire another is to go before the commission and ask for a revocation of two licenses and for the issuance of another.

This whole merger provision is a stock-jobbing scheme for the purpose of doing just what the gentleman from Oklahoma recently stated—organizing motor-bus monopolies and watering the stock of those combinations. The provision of subsection (b) of this bill not only allows that, but permit it to be accomplished by any person or persons, whether or not they have any financial interest whatsoever in any motor-bus line.

In other words, it is a license, it will provide a "certificate of convenience and necessity" to promoters and their brokers who would market the stocks and bonds under such a scheme as this, and they will get busy as soon as the bill becomes a law. I hope that the amendment may be adopted, notwithstanding the apparently hostile attitude of so many here to anything that would eliminate a feature of this kind.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was rejected.

The Clerk read as follows:

SECURITY FOR THE PROTECTION OF THE PUBLIC

SEC. 10. (a) No certificate or charter carrier permit shall be issued to a motor carrier, or remain in force, unless such carrier complies

with such rules and regulations as the commission shall adopt governing the filing and approval of surety bonds, policies of insurance, or other securities or agreements, in such form and adequate amount and conditioned as the commission may require, for the payment, within limits of liability fixed by the commission, of any final judgment recovered against such motor carrier on account of death of or injury to persons or loss of or damage to property resulting from the operation, maintenance, or use of motor vehicles under such certificate or permit.

(b) Upon the approval of any such bond, policy, security, or agreement there shall be issued to the motor carrier a certificate of approval, and such copies thereof as may be necessary; and no such carrier shall operate, maintain, or use any motor vehicle under a certificate of public convenience and necessity, or a charter carrier permit, unless there is posted in such motor vehicle, in accordance with such regulations as the commission may prescribe, a copy of such certificate of approval.

Mr. McSWAIN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McSWAIN: Page 17, line 24, after the word "permit," strike out the period and add these words: "No suit brought in any State court of competent jurisdiction against any such common carrier by motor vehicle on account of death of or injury to persons or loss of or damage to property resulting from the operation, maintenance, or use of motor vehicle under such certificate or permit shall be removed into any court of the United States."

Mr. McSWAIN. Mr. Chairman, we already have a situation where the criminal jurisdiction of the United States court is vastly expanded and increased. Through the operations of this law, unless we adopt this amendment, the civil jurisdiction of the Federal courts will in like manner and in the same proportion be expanded, because these bus lines will go to some State where they run a sort of legalized charter mill and get a charter to operate busses in States other than the charter State. A judgment against these bus lines under this act is going to be good. Therefore, when a passenger is hurt or when a bus runs over your child when going from the house on one side of the road to the barn at the other side of the road, or when it damages your vehicle while on the public highway, suits will be brought, and of course, naturally, in the State courts.

That is, the defendant corporation, exercising its power under a foreign charter, will intervene by a petition, by giving a bond, and the suit will be transferred to the Federal court, and then the thing will drag along. Gentlemen who have had experience and knowledge of actions on liabilities in the Federal court will realize that that fact alone will bring about such dissatisfaction among the people toward this legislation that when the people realize that this legislation has dragged them into the Federal courts in cases of criminal liability on the one hand, and on the other hand gets them into the Federal court in cases of civil liability, they will justly complain that they have been denied justice by taking these matters out of the State courts.

Mr. MAPES. They will have the same opportunity to prosecute their cases in the State courts in these matters as they now have under existing law, will they not?

Mr. McSWAIN. I submit that under the Federal employees' liability act and under the safety act the act of removing cases from State courts to the Federal court was by act of Congress denied. The act of removal to the Federal court is not a right. It is created by act of Congress. To-day if you sue a man on a note of \$2,999 you can not remove it to the Federal court, but if you sue him on a note for \$3,000 you can remove the case to the Federal court. That is not a constitutional matter. It is a matter for this body to decide.

Mr. NELSON of Maine. Mr. Chairman, will the gentleman yield?

Mr. McSWAIN. Yes.

Mr. NELSON of Maine. Does not the gentleman think there are already enough difficulties about this legislation without attempting to change the procedure in the courts?

Mr. McSWAIN. I will tell the gentleman what I think. I think there are enough difficulties in this bill, as the committee has brought it in, to inspire in some of us who would like to support the bill a desire to limit the difficulties, so as to enable us to support it; and if you are going to limit it to the civil and criminal side of the Federal courts there will be lots of Members who will not support the bill.

Mr. PARKER. Mr. Chairman, I move that all debate on this section and all amendments thereto now close.

The CHAIRMAN. The gentleman from New York moves that the debate on this section and all amendments thereto be now closed. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from South Carolina.

The question was taken, and the Chairman announced that the yeas appeared to have it.

Mr. McSWAIN. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from South Carolina demands a division.

The committee divided; and there were—ayes 62, yeas 98.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RATES, FARES, AND CHARGES

SEC. 11. (a) Tariffs of common carriers by motor vehicle covering operations under certificates of public convenience and necessity issued under this act shall be stated in money and shall be in effect only when prepared, filed, and posted in such manner as the commission shall by regulation prescribe.

(b) No such carrier shall charge or demand, or collect or receive, a greater or less or different compensation for the transportation of persons, or for any service in connection therewith, between the points named in such tariffs, than the rates, fares, or charges specified in the tariffs in effect at the time; and no such carrier shall refund or remit in any manner or by any device any portion of the rates, fares, or charges so specified, nor extend to any person any privileges or facilities for the transportation of persons in interstate or foreign commerce, except such as are specified in such tariffs; except that any such carrier may issue or give free tickets, free passes, and free or reduced transportation to persons engaged in the service of such carrier.

(c) No change shall be made in any rate, fare, or charge specified in any tariff in effect, except after 30 days' notice of the proposed change filed and posted in like manner. Such notice shall plainly state the change proposed to be made and the time when such change will take effect. The commission may, in its discretion and for good cause shown, allow changes upon less notice than that herein specified, or modify the requirements of this section with respect to the posting and filing of tariffs, either in particular instances or by general order applicable to special or peculiar circumstances or conditions.

(d) The rates, fares, and charges of such carriers for operations under any certificate of public convenience and necessity issued under this act shall be just and reasonable. Any person, corporation, or State board may make complaint in writing to the commission that any such rate, fare, or charge, in effect or proposed to be put into effect, is or will be unjust or unreasonable. If, after any such complaint, it is decided, in accordance with the procedure provided in section 3, that the rate, fare, or charge complained of is or will be unjust or unreasonable, an appropriate order shall be issued in conformity with such decision. No such rate, fare, or charge shall be held to be unjust or unreasonable by the commission or by any joint board, under this act, on the ground that it is unjust to a competing carrier engaged in a different kind of transportation.

(e) In any proceeding to determine the justness or reasonableness of any rate, fare, or charge of any such carrier, there shall not be taken into consideration or allowed, as evidence or elements of value of the property of such carrier, either good will, earning power, or the certificate under which such carrier is operating; and in applying for and receiving a certificate under this act any such carrier shall be deemed to have agreed to the provisions of this subsection, on its own behalf and on behalf of all transferees of such certificate.

(f) Nothing in this section shall be held to extinguish any remedy or right of action under other law.

Mr. LEA of California. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LEA of California: Page 20, line 5, at the end of the paragraph, add "Nothing in this act shall be construed to authorize the commission to fix the rate, fare, or charge."

Mr. LEA of California. Mr. Chairman, it was not the intention of the committee that this bill should authorize the commission to fix rates. I am satisfied that it is perfectly clear under the decision of the Supreme Court that this bill does not authorize the rates to be fixed, but in order to place that question beyond controversy this amendment is offered.

Mr. RAMSEYER. Mr. Chairman, let us have that amendment reported again.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The amendment was again read.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LETTS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LETTS: Page 20, strike out all of paragraph (e) of section 11.

Mr. LETTS. Mr. Chairman and ladies and gentlemen of the committee, when we debated this matter a week ago the gentleman from Kansas [Mr. HOCH] asserted that there was prescribed here the same rule with respect to the process of ascertaining value as that relating to railroads. I have examined into the matter and I find that the Interstate Commerce Commission is required, in determining whether or not rates fixed by railroads are just and reasonable—

To give due consideration to all elements of value recognized by the law of the land.

If there is any doubt about that I wish to call your attention to the fact that there is a dispute between members of the committee on that point, for I find in the debate, in the remarks of the gentleman from North Dakota [Mr. BURNES] on Friday of last week that he asserts, in response to a question by the gentleman from South Carolina [Mr. HARE]—

The gentleman plainly overlooks the fact that the provision with reference to rates in this bill is wholly different from the mandate of Congress given to the Interstate Commerce Commission in the fixing of rates for rail carriers.

It seems clear the gentleman from North Dakota has read the railroad law.

Ladies and gentlemen of the House, I have wondered why this provision is in the bill. It is different from that which relates to any other carrier or any other public utility. It is at variance with the rules of evidence applied in any court for the ascertainment of value.

I assert that it is universally and inherently true that courts have the power to determine what are and what are not elements of value; that all elements of value must be considered in determining the value of any article, commodity, or service. It is for the courts to determine what rules of evidence shall control in determining questions of value.

We have set up here something which is in contravention of the precise, exact, and full duty of the courts in that regard. It seems likely that this provision has sprung into being because of the debate which recently occurred in another legislative body in criticism of the decision of the Supreme Court with respect to rates in the now famous Baltimore case. It is a matter of surprise to know that so many in this body believe that the Supreme Court of the United States decided that a valuation of \$5,000,000 should be included in the rate base in the Baltimore rate case when, as a matter of fact, the Supreme Court held that such question had not been raised in the trial court and was not an issue for review in the Supreme Court. I assume this provision, which is contrary to any rule of law or evidence which prevails with reference to railroads or any other utility, is merely a campaign document and ought to be treated as such, and should go out of the bill. If this is a good bill it should not be loaded up with anything so unsound. If this is not a campaign document, why does the committee insert subparagraph (f), which provides—

Nothing in this section shall be held to extinguish any remedy or right of action under other law.

In other words, they set up a straw man in one paragraph of the bill and then proceed to rough him up in the next. What purpose has the provision here? It should go out. It has no place.

I want to call the attention of the Members—

The CHAIRMAN. The time of the gentleman has expired.

Mr. LETTS. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. PARKER. Mr. Chairman, I object.

Mr. LETTS. Mr. Chairman, I ask unanimous consent to extend my remarks and to include therein certain excerpts from the work of Woodrow Wilson on constitutional government in which he sets up his conception of the functions of courts and of the independence of the judiciary as one of the coordinate branches of this Government. My interest in this matter is largely because I conceive it to embody an unwarranted assault upon the Supreme Court.

The CHAIRMAN. The gentleman from Iowa [Mr. LETTS] asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. LETTS. Woodrow Wilson in his work on constitutional government, in referring to the courts, said:

It is clear beyond all need of exposition that for the definite maintenance of constitutional understanding, it is indispensable, alike for the preservation of the liberty of the individual and for the preservation of the integrity of the powers of the Government, that there should be some nonpolitical forum in which those understandings can be impartially debated and determined. That forum our courts supply. There the individual may assert his rights; there the Government must accept definition of its authority. There the individual may challenge the legality of governmental action and have it judged by the test of fundamental principles, and that test the Government must abide; there the Government can check the too aggressive self-assertion of the individual and establish its power upon lines which all can comprehend and heed. The constitutional powers of the courts constitute the ultimate safeguard alike of individual privilege and of governmental prerogative. It is in this sense that our judiciary is the balance wheel of our entire system; it is meant to maintain that nice adjustment between the individual rights and governmental powers which constitutes political liberty.

Mr. Wilson also says in the work mentioned:

Undoubtedly Federal judges may be mistaken and lawyers in Congress right, if the lawyers in Congress be of better stuff morally and intellectually than the judges they have recommended or allowed the President to appoint; but that simply points an old moral. No part of any government is any better than the men who administer it.

Mr. Wilson further said in speaking of the courts in their relation to public opinion:

Judges of necessity belong to their own generation. The atmosphere of opinion can not be shut out of their court rooms. Its influence penetrates everywhere in every self-governed nation. What we should ask of our judges is that they prove themselves such men as can discriminate between the opinion of the moment and the opinion of the age, between the opinion which springs, a legitimate essence, from the enlightened judgment of men of thought and good conscience and the opinion of desire, of self-interest, of impulse, and impatience. What we should ask of ourselves is that we sustain the courts in the maintenance of the true balance between law and progress, and that we make it our desire to secure nothing which can not be secured by the just and thoughtful processes which have made our system so far a model before all the world of the reign of law.

The power of our courts presents the best balance in our constitutional system. The independence of the judicial branch of our Government is highly important. It supplies the forum in which the citizen may defend his rights, even against his own Government.

Mr. PARKER. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

Mr. LETTS. Mr. Chairman, I have one other amendment, about which I would like to say a few words.

Mr. RAMSEYER. Mr. Chairman, I move to amend the motion of the gentleman from New York and make it 20 minutes.

The CHAIRMAN. The question is on the amendment to the motion of the gentleman from New York.

The amendment to the motion was rejected.

Mr. RAMSEYER. Mr. Chairman, I move to amend the motion of the gentleman from New York to make it 15 minutes.

The CHAIRMAN. The question is on the amendment to the motion of the gentleman from New York.

The question was taken; and on a division (demanded by Mr. RAMSEYER) there were—ayes 81, noes 87.

So the amendment to the motion was rejected.

The CHAIRMAN. The question is on the motion of the gentleman from New York, that all debate on this section and all amendments thereto do close in 10 minutes.

The question was taken; and on a division (demanded by Mr. MAPES) there were—ayes 84, noes 74.

So the motion was agreed to.

Mr. HOCH. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Kansas [Mr. HOCH] is recognized for five minutes.

Mr. O'CONNOR of Oklahoma. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Kansas yield for a parliamentary inquiry?

Mr. HOCH. I yield.

Mr. O'CONNOR of Oklahoma. How much time did we save by this? It took 11 minutes to save 10 minutes as I figured it out.

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. HOCH. Mr. Chairman and members of the committee, I realize that the hour is growing late and we are getting restive,

but I want to say that it seems to me this is one of the very fine provisions of this bill. The gentleman from Iowa, I think, entirely confuses the question of the franchise as related to a sale price and as to a property value to go into the rate base.

Mr. LETTS. Will the gentleman yield?

Mr. HOCH. I can not now. If it were not for the importance of this provision I would not impose on the committee at this late hour.

This is a new provision and one which is entitled to the fullest consideration. If the committee will note, it does not provide that they shall not take into consideration good will, earning power, or the certificate, but it provides that they shall not receive, as elements of value of the property of a carrier, their good will, earning power, certificate, and so forth.

Let me make an illustration, using the provision as to earning power. If a carrier, by virtue of the prosperity of its business, has great earning power, and it is shown that its returns are unreasonably high, the earning power in that case would be taken into consideration to secure a reduction of the rates.

But if you compel the capitalization of earning power and put it in the rate base as a property value upon which the carrier may be permitted to earn a return, then the more earning power the larger the rate base would be and the more the public would have to pay because of its generous patronage of the carrier. The same thing applies with reference to the franchise. What is the provision here? Not that some one who wants to buy this carrier may not take its certificate into consideration; not that, but the provision is simply this, that when the public has given free to a concern the right to operate upon the highways the public shall not be penalized because it has given the carrier something. In other words, the carrier shall not be permitted to figure this thing which costs it nothing into the capital rate base upon which it may demand a return.

The gentleman from Iowa has referred to the railroad law, but unfortunately the gentleman did not read the operative part that applies to this proposition. I read from section 15 (a) of the railroad law:

In the exercise of its power to prescribe just and reasonable rates the commission shall initiate, modify, establish, or adjust such rates so that carriers as a whole (or as a whole in each of such rate groups or territories as the commission may from time to time designate) will, under honest, efficient, and economical management and reasonable expenditures for maintenance of way, structures, and equipment, earn an aggregate annual net railway operating income equal, as nearly as may be, to a fair return upon the aggregate value of the railway property of such carriers held for and used in the service of transportation.

The commission has interpreted and applied that as meaning only the physical property which is used in the service of transportation. Whatever may be said as to its methods of valuing the physical property, it does not include the franchise or other such intangible element as a property value to be added to the rate base upon which a return is to be provided. This provision of the bill is both sound and timely.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. LETTS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one additional minute.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the gentleman from Kansas may proceed for one additional minute. Is there objection?

Mr. PARKER. I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. LETTS].

The amendment was rejected.

Mr. LETTS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LETTS: Page 20, line 7, strike out the word "such" and insert in lieu thereof the word "common."

Mr. LETTS. Mr. Chairman, another amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LETTS: Page 20, line 9, strike out the word "such" and insert "any common."

Mr. LETTS. Mr. Chairman, ladies and gentlemen, the only effect of this amendment is to make the provision which has been placed in this bill as relating to motor-bus carriers effective as to all common carriers. If the principle is good, it ought to be extended to all carriers. The argument which has been made by the gentleman from Kansas [Mr. HOCH] has but little weight unless he is willing to go along with me on this amendment and make it uniform in our law. Certainly the advantages which

can be obtained by a motor-bus carrier in operating over the highways can not be compared in any degree with the franchise rights acquired by railroads in coming through the streets of our cities to their terminal stations and to their switch yards. All I ask is that this committee go on record as to whether or not it favors putting this proposition in the law to control the little motor-bus carrier and leave the big railroad carrier out of the question, the beneficiary of discrimination, the recipient of privilege, and free to profit through our inconsistencies.

Mr. RAMSEYER. Will the gentleman yield?

Mr. LETTS. Yes; I yield to my colleague.

Mr. RAMSEYER. The effect of the gentleman's amendment, then, is to extend the principle in paragraph (e) to all common carriers?

Mr. LETTS. Precisely. All carriers should be treated alike in the law.

Mr. RAMSEYER. I think that is a fair amendment.

Mr. LETTS. If we are to be fair about this thing, we have got to go that far. If it is not a good proposition for the railroads it is not a just principle as applied to the little motor-bus carrier.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. LETTS].

The amendment was rejected.

Mr. OLIVER of Alabama. Mr. Chairman, I have an amendment to offer, but I do not care to argue it.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: Page 20, line 11, strike out the semicolon and insert a comma and the following, "or any property not held for or used in the service of transportation of persons on the public highways."

The amendment was rejected.

Mr. LANKFORD of Georgia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Georgia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LANKFORD of Georgia: Page 20, line 10, after the word "power," insert "value as going concern, easement, right or privilege of using any highway, street, or other public thoroughfare."

Mr. LANKFORD of Georgia. Mr. Chairman, it is very unfair to the country for any committee of this House to bring in here a bill which it is neither able to defend nor has the desire to allow discussed fully by anyone with contrary views. It is true some debate has been allowed on some amendments that have from time to time been offered, but the thing that I object to is that any amendment should be voted up or down without the merits of the amendment being at least explained to the committee.

We have the spectacle here this afternoon of a committee in the saddle with enough Members blindly following to prevent anything more than the bare reading of amendments that are bona fide. In some cases no debate at all is allowed on amendments that deal with the very lives of American citizens.

This debate is cut off by those who do not know what is in the amendments and do not care. The limitations that stop debate are put through with a war whoop before the amendments are offered. Thus I am justified in saying that those in control do not care whether the amendments are good or not; they are determined to prevent their explanation.

The stampede is on with those in control, like dumb, driven cattle, rushing onward, destroying the liberties of the people, the laws of the several States, and the constitutions of the various Commonwealths. They do not care about debate or reason; they have the power, and if the bill which is about to be brought forth as the result of this reckless disregard of human rights is not corrected by some legislative body where there is deliberation, a strangle hold will be given the corporate interests on the public roads of the country from which the American people will never be able to free themselves.

I shudder for the public when I realize that their very rights to their own roads are in the balance and that the hands holding the balance are so unsteady and reckless.

Mr. Chairman, this bill to put bus transportation under the control of the Interstate Commerce Commission, to my mind, is a treacherous legislative proposal. Lurking in it are dangers of serious consequence to the public. I very much fear in a little while those of us who do not want the public overreached by corporate greed will see more and more the evils of the measure. People who at first criticized me for voting against the Esch-Cummins Railroad Act now say I was absolutely right. Some

of the same dangers that were in that bill are in this one. Some in this bill are even more dangerous than those in the Esch-Cummins Act. In the few minutes allowed me I can not discuss any of them fully.

Mr. Chairman, I wish to say a word or two before my time expires concerning the amendment just offered by me. There is one section in this bill which would safeguard the rights of the people in the enjoyment of their public roads if this committee would only allow that section to be perfected. I refer to section 11. In this wild stampede and with the utter disregard of the merits of all amendments which is so evident, I know that my amendment will be voted down and that a like fate awaits two more amendments which I shall immediately offer as soon as the pending amendment is slaughtered.

Section 11 prevents the consideration for rate-making purposes of "either good will, earning power, or the certificate under which the carrier is operating." So far so good, but why stop there? My amendment would also prevent the consideration for rate-making purposes of any "easement, right, or privilege of using any highway, street, or other public thoroughfare." With this amendment, together with two more I shall offer later, this section would be perfected and, if enacted, would be a very valuable law.

Attention is respectfully called to what is commonly called the Baltimore Street Railway case, in which our Supreme Court held that even though the constitution of Maryland prevented the capitalization of the franchise of street railways for rate-making purposes, the street railway could capitalize its right to run over the streets of Baltimore. Thus it was held that the people of Baltimore would have to pay a fare sufficiently large to yield a reasonable income on the right of the street railway to use the people's own streets.

If the proponents of this bill want it to protect the rights of the people in and to their own streets, roads, and other public thoroughfares, why not agree that this amendment be adopted? Why leave out the items I seek to include unless there is a secret purpose to allow these items to be capitalized and used as a basis for rate-making purposes? Why leave this loophole and thus invite the Supreme Court to grant the big corporate interests, which will soon own the bus lines, the right to make the people pay an income on their own public roads.

Who would favor a form of Government ownership of the railroads whereby the Government would buy the rights of way of the railroads, plus the tracks and track equipment, and then at public expense keep the tracks in splendid repair and make improvements whenever needed and at the same time allow the railroads to charge a rate that would yield the same income on the railroad, right of way, track, and equipment that is now guaranteed? You are doing more than this in this bill. You are putting in motion a bill which, if enacted, will force the people to keep in repair public roads already owned by the people and at the same time require the people to pay an income on their own property to the mighty corporations which will soon operate all the bus lines. You are at the same time giving to a body of men here in Washington the right to control the roads of the people in the several States. The big bus lines of the future will crowd the people off their own roads and make the people pay for the outrage.

I repeat, why not make this section so there will be no doubt about what it means.

Mr. Chairman, Congress should never enact a bill of so much importance as this without a definite legislative will, and that will should be definitely expressed in unequivocal language.

Why leave this question for the horde of corporation lawyers to present to the Supreme Court? Why not protect the rights of the people. I can not believe it is intended to protect the rights of the people when lawyers on this committee draw a section of so much importance in so haphazard a manner.

Surely this committee, I mean the majority of the committee—for some members of the committee are opposed to this bill—intend for this section to be nullified by the Supreme Court.

There are several portions of this bill which are most deceptive. They seem to the casual observer to be in behalf of the public, but if one will only stop and study the bill, it will soon develop that the apparently good provisions are such as will be swept aside by the Supreme Court a little later and then the bill and its purpose will stand forth in all its hideousness.

There are here and there some thin patches of sugar coating, but beneath it is as bitter as gall.

Mr. Chairman, I shall offer another amendment, which would not only prevent the bus corporations from capitalizing the people's own public roads but would give the people the benefit of all their rights to their own roads. No one can object to this

amendment and at the same time have the interest of the public at heart.

Another amendment which I shall offer would prevent any railroad or other transportation line from charging on the bus line owned by it a fare to produce an income on other property owned by the railroad thousands of miles away and wholly disconnected with the particular bus line. This is also most desirable. It would certainly be in the interest of the public, all of which means it will also certainly meet defeat.

If my amendments are voted down, and the bill is neither perfected here nor elsewhere before it finally becomes law, it will be the greatest victory of the corporate interest and the greatest slaughter of the rights of the public yet enacted into law.

Let us visualize for a few seconds what will take place under this bill as now drawn.

The States in a little while will lose absolutely every vestige of control over bus transportation on their highways. It will make no difference whether the transportation be interstate or intrastate, it will be under control of people who look at transportation from the standpoint of the owner of the big bus lines and not from the standpoint of the public. The public will be paying all the expenses of road construction and upkeep, and the more the public is taxed for road construction and upkeep the more the corporations will value their rights to use the roads and the more the bus lines will charge the public for the right to use the roads. The bigger the monopoly becomes the more powerful will be its power and the more valuable will be its right to fleece the public, and the more will be the charge for the crime.

Every time a little line is crowded out or the individual bus owner is driven into bankruptcy or the corporation becomes more fully the monopolistic owner of the right to use the public roads, the more the public will be called upon to pay an income on its own property and the greater will be the charge for transportation of those we came here to protect and represent.

I know full well the fate that awaits my amendments, but I am glad that there is still some hope that this bill will yet be amended when careful consideration is given to it, and that it will not become law in such a form as to amount to an abject surrender to the corporate interest.

I am submitting my amendments not only to this committee but also to the people of our Nation, and know that those who are so anxious to vote them down will have to account to the people from time to time for their action.

The principle of this bill is wrong and as time goes by its viciousness will become more and more apparent and its awful form and hideous visage will bulk larger and yet larger before the gaze of an outraged and indignant public.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The question is on the amendment offered by the gentleman from Georgia [Mr. LANKFORD].

The amendment was rejected.

Mr. LANKFORD of Georgia. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Georgia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LANKFORD of Georgia: Page 20, at the end of section 11, add a new subsection, as follows:

"(g) There shall at all times remain in either the respective States or the United States of America, or both, for the use of the public the fee simple title, full ownership, and every easement, right, and privilege of using any and all public roads, streets, highways, and other thoroughfares over which any bus line may be permitted to operate in any way, or by any device; and in any proceeding to determine the justness or reasonableness of any rate, fare, or charge, of any such carrier there shall be taken into consideration and fullest weight shall be given in behalf of the public (a) to said title, ownership, and rights; (b) to public expenditure for maintenance, repair, and original cost; (c) to the probable damage to said public thoroughfare by the operation of said bus lines; and (d) to the incident traffic congestion and burden occasioned thereby."

The amendment was rejected.

Mr. LANKFORD of Georgia. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Georgia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LANKFORD of Georgia: Page 20, at the end of section 11, add a new subsection, as follows:

"(h) No bus line or lines, or part thereof, when owned by any railroad, electric, or water transportation line, either as result of consolidation, purchase, original certificate, a charter right, or otherwise, shall be permitted or required to produce an income on any property except that used specifically for the operation of said bus line or for proper housing and convenience of the public in connection with said transportation, and no such bus line shall in any way be burdened with making or producing an income on any value or assets of any railroad, electric line, water transportation line, air transportation line, or other transportation line with which, by which, or as a part of which it may be operated; neither shall any bus line become a part and parcel of any other public-utility corporation so as to be permitted or required to produce an income on any property not owned as aforesaid and subject to the limitations herein set forth."

The amendment was rejected.

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent to make a statement for one minute.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. RAYBURN. Mr. Chairman, the gentleman from Alabama offered an amendment a while ago in the confusion that was defeated and I think it was agreed by the committee, or by all who were consulted with reference to the matter, that it was an important and a necessary amendment and one that should go into the bill. I ask unanimous consent that the proceedings by which the amendment was defeated be vacated and the amendment be put on its passage again.

Mr. McSWAIN. Mr. Chairman, reserving the right to object, I desire to say I think a good many meritorious amendments have been defeated in the confusion.

Mr. LANKFORD of Georgia. Three good ones have been defeated since then. [Laughter].

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. SCHAFER of Wisconsin. Mr. Chairman, reserving the right to object, I understood that all time for debate had been exhausted and yet we have had about two minutes of debate including the propounding of a unanimous-consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. SCHAFER of Wisconsin. Mr. Chairman, I object.

The Clerk read as follows:

ORDERS AND NOTICES

Sec. 12. It shall be the duty of every motor carrier to file with the board of each State in which it operates under a certificate or charter carrier permit issued under this act, and with the commission a designation in writing of the name and post-office address of a person or corporation upon whom or which service of notices or orders may be made under this act. Such designation may from time to time be changed by like writing similarly filed. Service of notices or orders in proceedings under this act may be made upon a motor carrier by personal service upon it or upon the person or corporation so designated by it, or by registered mail addressed to it or to such person or corporation at the address filed. In default of such designation, service of any notice or order may be made by posting in the office of the secretary or clerk of the board of the State wherein the motor carrier maintains headquarters and in the office of the commission. Whenever notice is given by mail as provided herein the date of mailing shall be considered as the time when notice is served.

Mr. BURTNESS. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Page 21, after line 12, add a new subsection, (b):

"Every such motor carrier shall file with the board of each State in which it operates the designation in writing of the name and post-office address of the person or corporation in such State upon whom process issued by or under the authority of any court having jurisdiction of the subject matter may be served in any proceeding at law or equity brought against such carrier. Such designation may from time to time be changed by a like writing similarly filed. In the event that such carrier fails to file such designation service may be made on any employee of such motor carrier within such State."

Page 20, line 18, strike out the subtitle "Orders and notices" and insert in lieu thereof "Orders, notices, and service of busses."

Page 20, line 19, before "it" insert "a" in parenthesis.

Mr. BURTNESS. Mr. Chairman, I think the reading of the amendment explains its meaning. I have consulted with other Members of the House interested in the question and with members of the committee, and all so consulted have approved it.

All it does is to make it possible in all cases to obtain legal service within the States the carrier operates in upon such carrier in the event that any person who is injured or any person has any legal claim for liability desires to sue thereon.

You can readily realize that a foreign corporation might be able to conduct its business through a State in such a way as not to have an agent in that State upon whom service of process could be legally made under the general law.

Mr. MILLER. Why not designate that the person shall file it with the Secretary of State, where all foreign corporations make their filings?

Mr. BURTNESS. The reason why we make it a filing with the State utilities board is to make it consistent with the paragraph already in the section.

Mr. MILLER. It is the one part of the entire bill that provides for service of legal processes.

Mr. BURTNESS. Section 12, as it now is, provides for service of orders and notices necessary in the administration of the act and provides for a designation of an agent upon whom order can be served or to whom notice can be given, as provided therein. But, inasmuch as that designation must be filed with the board of each State, we thought it proper to make provision for a similar filing for the appointment of some one upon whom process could be served.

Mr. McSWAIN. Mr. Chairman, I want to commend the gentleman; the amendment is in the spirit of common sense and I am going to vote for it. Will not the gentleman support an amendment of mine providing that whatever court the process issues from the action shall remain in that court for trial?

Mr. BURTNESS. I am not a very good horse trader. [Laughter.]

Mr. McSWAIN. Well, I have given my horse away already in advance; but will not the gentleman help us out?

Mr. BURTNESS. I am insisting now on my amendment and hope it will be approved.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota.

The question was taken, and the amendment was agreed to.

Mr. PARKER. Mr. Chairman, I move that all debate on this section and all amendments thereto be now closed.

The motion was agreed to.

The Clerk read as follows:

UNLAWFUL OPERATION

Sec. 13. (a) Any corporation or person willfully violating any provision of this act, or any final order thereunder, or any term or condition of any certificate of public convenience and necessity or charter carrier permit, shall upon conviction thereof be fined not more than \$100 for the first offense, and not more than \$500 for any subsequent offense. Each day of such violation shall constitute a separate offense.

(b) If any motor carrier operates in violation of any provision of this act, or of any final order thereunder, or of any term or condition of any certificate of public convenience and necessity or charter carrier permit, the commission or any party injured may apply to the district court of the United States for any district where such motor carrier operates, for the enforcement of such provision of this act or of such order, term, or condition; and such court shall have jurisdiction to enforce obedience thereto by a writ of injunction or by other process, mandatory or otherwise, restraining such carrier, its officers, agents, employees, and representatives from further violation of such provision of this act or of such order, term, or condition, and enjoining upon it or them obedience thereto.

Mr. McSWAIN. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McSWAIN: Page 22, after line 10, insert a new section:

"Sec. 14. No civil action brought in any State court against any carrier of passengers by motor bus engaged in interstate commerce subject to the provisions of this act shall be removed on the motion of any such carrier into any Federal court."

Mr. MAPES. Mr. Chairman, I make the point of order that that is the same amendment that we have already voted upon.

Mr. McSWAIN. Mr. Chairman, in view of the confusion in the House I merely want to make a second track—

Mr. MAPES. Mr. Chairman, I make the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. PARKER. Mr. Chairman, I offer the following amendment as a new section, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. PARKER: Page 22, after line 10, add the following new section:

"POWERS OF STATES"

"Sec. 14. (a) Nothing in this act contained shall be construed to affect the powers of taxation of the several States or to authorize a motor carrier to do an intrastate business on the highways of any State. It is not intended hereby to interfere with the exclusive exercise by each State of the power of regulation of intrastate commerce by motor

carriers on the highways thereof, and, notwithstanding this act, motor carriers operating in intrastate commerce on the highways of a State shall continue to be subject to the laws of the State regulating such intrastate commerce, and motor carriers operating in interstate commerce shall be subject to the proper exercise by the State of its police powers.

"(b) The commission while acting under authority of this act shall not have any jurisdiction or authority over intrastate commerce by motor carriers and the commission is expressly prohibited from interfering in any way with or attempting to regulate such intrastate commerce by motor carriers."

Mr. DENISON. Mr. Chairman, I wish to be heard for just a moment upon the amendment. I do not like to oppose any amendment offered by the chairman of the committee [Mr. PARKER]. This amendment is nothing more or less than a speech which is written into this bill at the request of or at least to please the State commissions. It has no proper place in the legislation. It does not change the rights of any of the parties at all. It will have this effect, however, in my judgment: It will prevent interstate motor carriers from at any time engaging in intrastate commerce. It will practically prevent interstate carriers from getting certificates from the States to do intrastate business.

It will practically require in perpetuity, unless hereafter changed, two different kinds of transportation, one devoted exclusively to intrastate commerce and one devoted exclusively to interstate commerce. Motor carriers will never be privileged, in my judgment, under this amendment, if it be adopted, to do what the railroads or the interurban carriers now do, stop and pick up or let off passengers riding in intrastate commerce. I do not think it should go in the bill. Its apparent purpose is to prevent the commission and the courts from ever applying to motor carriers the principle declared by the court in the so-called Shreveport Rate Case, with reference to railroads. I think the amendment will prove to be entirely futile. But if it does not prove to be futile it will have the effect of discouraging, if not preventing, interstate carriers from doing an intrastate business; and that would not, in my judgment, be in the public interest. The amendment will encumber the bill with a provision which is justified only by considerations of politics and expediency, neither of which have up to this time influenced the committee in drafting the bill and ought not to influence the House in considering it.

Mr. PARKER. Mr. Chairman, there is a great deal of truth in what the gentleman has said. The section was put in because the State commissions are extremely anxious that there should be no question of the Interstate Commerce Commission controlling the intrastate operation of motor busses. It specifically states that they shall not do it. That is all there is to it.

I move that all debate upon this section and all amendments thereto do now close.

Mr. KETCHAM. Mr. Chairman, will the gentleman permit the reading of the first sentence of this amendment. I think it is more than the gentleman means to convey.

Mr. STAFFORD. Under the language of the amendment, it will prevent any interstate carrier doing intrastate business.

Mr. PARKER. Mr. Chairman, I move that all debate upon the section and all amendments thereto be now closed.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. JOHNSON of Indiana. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Is there objection?

Mr. STRONG of Kansas. Mr. Chairman, I object.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. Without objection, the Clerk will correct the section numbers.

There was no objection.

The Clerk concluded the reading of the bill.

The CHAIRMAN. Under the rule by which we are operating, the bill H. R. 10288 has been read and no amendments are pending. The committee, therefore, automatically rises.

The committee rose; and the Speaker having resumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, pursuant to House Resolution 172, had had under consideration the bill (H. R. 10288) to regulate the transportation of persons in interstate and foreign commerce by motor carriers operating on the public highways, and he reported the same back to the House with sundry amendments.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment? If

not, the Chair will put them en gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. RANKIN. Mr. Speaker, I demand the reading of the engrossed copy.

The SPEAKER. Obviously, it is impossible to read the engrossed copy.

Mr. SNELL. Has the gentleman that right?

The SPEAKER. The gentleman has the right to demand the reading of the engrossed copy.

Mr. PARKER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PARKER. Has the previous question been ordered?

Mr. SNELL. It is ordered automatically.

Mr. PARKER. Mr. Speaker, another parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PARKER. If the House should now adjourn, at what time would the bill automatically come up again for consideration?

The SPEAKER. When the House convenes the next time.

ADJOURNMENT OVER UNTIL MONDAY, MARCH 24

Mr. SNELL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet on Monday.

The SPEAKER. The gentleman from New York asks unanimous consent that when the House adjourns to-night it adjourn to meet on Monday. Is there objection?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HUDDLESTON. In the present status of this bus bill just when will it be proper to make a motion to recommit?

The SPEAKER. Immediately after the reading of the engrossed copy, the third reading, at the beginning of the session on Monday morning.

ADJOURNMENT

Mr. PARKER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 8 minutes p. m.) the House adjourned, under the previous order, until Monday, March 24, 1930, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Saturday, March 22, 1930, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON THE DISTRICT OF COLUMBIA—SUBCOMMITTEE ON PUBLIC UTILITIES

(10.30 a. m.)

To authorize the merger of street-railway corporations operating in the District of Columbia (H. J. Res. 159).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

375. A communication from the President of the United States, transmitting an estimate of appropriation for the United States Geographic Board for \$1,100 for adding to the sixth annual report the revised foreign geographic name decisions, fiscal year 1931 (H. Doc. No. 322); to the Committee on Appropriations and ordered to be printed.

376. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Employees' Compensation Commission, fiscal year 1930, amounting to \$275,000 (H. Doc. No. 323); to the Committee on Appropriations and ordered to be printed.

377. A communication from the President of the United States, transmitting supplemental estimate of appropriation amounting to \$120,000 for the Department of State, to remain available until expended, for completing the construction and furnishing of buildings for the diplomatic and consular establishment in Tokyo, Japan (H. Doc. No. 324); to the Committee on Appropriations and ordered to be printed.

378. A communication from the President of the United States, transmitting an amendment to supplemental estimate dated December 9, 1929, for \$15,381,000 for eradication, control, and prevention of the spread of the Mediterranean fruit fly (H. Doc. No. 325); to the Committee on Appropriations and ordered to be printed.

379. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Department of State for the fiscal year 1930, to remain available until June 30, 1931, amounting to \$30,000, for the expenses of participation by the United States in the International Fur Trade Exhibition and Congress to be held in Leipzig, Germany, in 1930 (H. Doc. No. 326); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WILLIAMSON: Committee on Expenditures in the Executive Departments. H. R. 10630. A bill to authorize the President to consolidate and coordinate Government activities affecting war veterans; with amendment (Rept. No. 951). Referred to the Committee of the Whole House on the state of the Union.

Mr. McLEOD: Committee on the District of Columbia. H. R. 10476. A bill to define, regulate, and license real-estate brokers and real-estate salesmen; to create a real estate commission in the District of Columbia; to protect the public against fraud in real-estate transactions, and for other purposes; with amendment (Rept. No. 952). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Idaho: Committee on Irrigation and Reclamation. S. J. Res. 151. A joint resolution to authorize the Secretary of the Interior to deliver water during the irrigation season of 1930 on the Uncompahgre project, Colorado; without amendment (Rept. No. 953). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 10173. A bill to authorize the Secretary of Agriculture to conduct investigations of cotton ginning; without amendment (Rept. 954). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9378) granting a pension to John Bettridge, alias John Batteridge; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 10220) granting an increase of pension to Susie Elgreta Henderson; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHRISTOPHERSON: A bill (H. R. 11006) to amend section 39, Title II, of the national prohibition act; to the Committee on the Judiciary.

By Mr. DOUTRICH: A bill (H. R. 11007) to amend the act of August 24, 1912 (ch. 389, par. 7, 37 Stats., p. 555), making appropriations for the Post Office Department for the fiscal year ending June 30, 1913; to the Committee on the Post Office and Post Roads.

By Mr. FITZGERALD: A bill (H. R. 11008) to authorize the coinage of 50-cent pieces in commemoration of the sesquicentennial of the surrender of Cornwallis at Yorktown; to the Committee on Coinage, Weights, and Measures.

By Mr. JAMES (at the request of the War Department): A bill (H. R. 11009) to authorize the acquisition of certain land for the proper defense of the Atlantic coast; to the Committee on Military Affairs.

By Mr. RANSLEY (by request): A bill (H. R. 11010) authorizing Frank E. Webb, his heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Bay of San Francisco at or near the extension of Oakdale Avenue near Shag Rock at or near Hunters Point, San Francisco County, on the north, and Visitation Point, San Mateo County, on the south, to a point south of Park Street, city of Alameda, county of Alameda, Calif.; to the Committee on Interstate and Foreign Commerce.

By Mr. McMILLAN: A bill (H. R. 11011) to authorize an appropriation for the purchase and erection of a monument to the memory of Maj. Gen. William Moultrie; to the Committee on Military Affairs.

By Mr. FULMER: A bill (H. R. 11012) to provide for the commemoration of the Battle of Eutaw Springs; to the Committee on Military Affairs.

By Mr. ZIHLMAN: A bill (H. R. 11013) to authorize the Commissioners of the District of Columbia to close streets,

roads, highways, or alleys in the District of Columbia rendered useless or unnecessary, and for other purposes; to the Committee on the District of Columbia.

By Mr. FISH: A bill (H. R. 11014) to provide for the appointment of an additional judge of the District Court of the United States for the Southern District of New York; to the Committee on the Judiciary.

By Mrs. ROGERS: A concurrent resolution (H. Con. Res. 25) to appoint a joint committee of the Senate and House to represent the Congress of the United States at the celebration in commemoration of the three hundredth anniversary of the founding of Massachusetts Bay Colony in 1930; to the Committee on Rules.

By Mr. FISH: A joint resolution (H. J. Res. 276) authorizing the President of the United States to join in consultations with other signatories of the general pact for the renunciation of war; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. FULMER: Memorial of the State Legislature of the State of South Carolina, urging the passage of the Simmons-Whittington bills, S. 412 and H. R. 1877, for southern rural improvement; to the Committee on Irrigation and Reclamation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN: A bill (H. R. 11015) to provide an appropriation for the payment of claims of persons who suffered property damage, death, or personal injury due to the explosion at the naval ammunition depot, Lake Denmark, N. J., July 10, 1926; to the Committee on Claims.

By Mr. BACHMANN: A bill (H. R. 11016) granting a pension to John Flanagan; to the Committee on Pensions.

By Mr. CANNON: A bill (H. R. 11017) granting a pension to Alice Scott; to the Committee on Invalid Pensions.

By Mr. COLTON: A bill (H. R. 11018) for the relief of H. L. Bracken Cylinder Grinding Co.; to the Committee on Claims.

By Mr. COOPER of Wisconsin: A bill (H. R. 11019) granting an increase of pension to Eleanor E. Boyd; to the Committee on Invalid Pensions.

By Mr. CRAIL: A bill (H. R. 11020) granting a pension to Ollie McGuire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11021) for the relief of William J. Dillon; to the Committee on Naval Affairs.

By Mr. FISH: A bill (H. R. 11022) for the relief of Sterrit Keefe; to the Committee on Naval Affairs.

By Mr. FRENCH: A bill (H. R. 11023) granting a pension to Amanda E. Wade; to the Committee on Pensions.

By Mr. HASTINGS: A bill (H. R. 11024) to correct the military record of Isaac S. Smith; to the Committee on Military Affairs.

By Mr. HAUGEN: A bill (H. R. 11025) granting an increase of pension to Sarah J. Helms; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 11026) authorizing the Secretary of the Interior to exchange certain lands to Elmer Tilden; to the Committee on the Public Lands.

By Mr. IRWIN: A bill (H. R. 11027) granting an increase of pension to Sarah Holbrook; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 11028) granting an increase of pension to Walter G. Roberts; to the Committee on Pensions.

By Mr. KENDALL of Kentucky: A bill (H. R. 11029) granting a pension to Nancy Hiley; to the Committee on Invalid Pensions.

By Mr. KIESS: A bill (H. R. 11030) granting an increase of pension to Mary J. Wagner; to the Committee on Invalid Pensions.

By Mrs. LANGLEY: A bill (H. R. 11031) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Clara E. Nichols; to the Committee on Claims.

By Mr. LEECH: A bill (H. R. 11032) granting a pension to Susan C. Botts; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 11033) for the relief of Thomas Allen; to the Committee on Pensions.

By Mr. LETTS: A bill (H. R. 11034) to extend the measure of relief provided in the employees' compensation act of September 7, 1916, to Leroy B. Westphal; to the Committee on Claims.

Also, a bill (H. R. 11035) granting a pension to Mary Heckle; to the Committee on Pensions.

By Mr. McREYNOLDS: A bill (H. R. 11036) granting a pension to Maggie Carter Brackett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11037) for the relief of Lewis Stiles; to the Committee on Military Affairs.

By Mr. MOORE of Kentucky: A bill (H. R. 11038) granting a pension to George W. Smith; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 11039) granting an increase of pension to Hannah M. Mounts; to the Committee on Invalid Pensions.

By Mr. PALMER: A bill (H. R. 11040) granting a pension to Mary V. Patterson; to the Committee on Invalid Pensions.

By Mr. ROWBOTTOM: A bill (H. R. 11041) granting an increase of pension to Matilda Gomes; to the Committee on Invalid Pensions.

By Mr. SHORT of Missouri: A bill (H. R. 11042) granting a pension to Dicy M. Snyder; to the Committee on Invalid Pensions.

By Mr. WELCH of California: A bill (H. R. 11043) for the relief of Rawley Clay Allen; to the Committee on Naval Affairs.

By Mr. WIGGLESWORTH: A bill (H. R. 11044) granting a pension to Guy H. Bisbee; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5930. By Mr. ALLEN: Petition of certain citizens of Moline, Ill., urging speedy consideration and passage of House bill 2562 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5931. By Mr. BLOOM: Petition of citizens of Cincinnati, Ohio, opposing the calling of an international conference by the President of the United States, or the acceptance by him of an invitation to participate in such a conference, for the purpose of revising the present calendar, unless a proviso be attached thereto definitely guaranteeing the preservation of the continuity of the weekly cycle without the insertion of the blank days; to the Committee on Foreign Affairs.

5932. By Mr. BOHN: Petition of citizens of Onaway, Mich., urging immediate consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5933. Also, petition of citizens of Gladstone, Delta County, Mich., urging immediate consideration and passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5934. By Mr. BRUNNER: Petition of the Hebrew Women's Aid Society of Flushing, N. Y., urging Congress to bring out the Rankin bill, H. R. 7825, on the floor of the House at the earliest possible moment and giving their strong indorsement to this bill; to the Committee on World War Veterans' Legislation.

5935. By Mr. COCHRAN of Pennsylvania: Petition of John D. Mildrew and other residents of St. Marys, Elk County, Pa., urging the passage of Senate bill 476 and House bill 2562 to provide increased pension for veterans of the Spanish War period; to the Committee on Pensions.

5936. By Mr. CONNERY: Petition of citizens of Peabody, Mass., asking for increase in pensions for Spanish War veterans; to the Committee on Pensions.

5937. By Mr. DOUGLAS of Arizona: Petition signed by 68 residents of Maricopa County, Ariz., in support of legislation providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5938. By Mr. DOUGLASS of Massachusetts: Petition of citizens of East Boston, Mass., urging the early enactment of the pending Spanish War veterans' bills, known as Senate bill 476 and House bill 2562 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5939. By Mr. EATON of Colorado: Petition signed by 82 voters of Denver, Colo., urging passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5940. By Mr. FENN: Resolutions of the Common Council of the City of Bristol, Conn., favoring the passage of House Joint Resolution 167, establishing October 11 of each year as General Pulaski's memorial day; to the Committee on the Judiciary.

5941. By Mr. FULLER: Petition of citizens of Gravette, Benton County, Ark., urging the speedy consideration and passage of House bill 2562 and Senate bill 476, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5942. Also, petition of W. N. Canfield and other citizens of Brentwood, Washington County, Ark., urging the speedy consideration and passage of House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5943. By Mr. FULMER: Resolution passed by Columbia Unit of the American Legion Auxiliary, Columbia, S. C., Sara L. Kreps, legislative chairman, in behalf of House bill 9411, proposing to establish a veterans' hospital in South Carolina; also House Joint Resolution 220, providing for the appointment of a commission to investigate and report upon the universal draft bill; also the Johnson bill, H. R. 10381; to the Committee on World War Veterans' Legislation.

5944. By Mr. GOODWIN: Petition of O. W. Alvin and 71 other citizens and residents of North Branch, Minn., expressing their interest and indicating their desire that House bill 2562 and Senate bill 3 be promptly passed by the Congress of the United States, said measures providing for increased rates of pension to the patriotic men who served in the armed forces of the United States during the Spanish-American War period; to the Committee on Pensions.

5945. By Mr. HADLEY: Petition of a number of citizens of Everett, Wash., urging increased rates of pension for veterans of the Spanish War; to the Committee on Pensions.

5946. By Mr. HANCOCK: Petition of Rev. Henry C. Sears and other residents of Cortland County, N. Y., in favor of House Joint Resolution 20; to the Committee on the Judiciary.

5947. By Mr. JAMES: Petition of citizens of Houghton County, Mich., petitioning favorable action on legislation for increasing rates of pension to the men who served in the Spanish War; to the Committee on Pensions.

5948. By Mr. KENDALL of Pennsylvania: Petition of certain citizens of Indian Head, Melcroft, and adjoining towns in Fayette County, Pa., asking for favorable consideration to Senate bill 476 and House bill 2562; to the Committee on Pensions.

5949. By Mr. KIESS: Petition from citizens of Jersey Shore, Pa., favoring Senate bill 476 and House bill 2562 to increase the pension of Spanish-American War service men; to the Committee on Pensions.

5950. By Mr. LEAVITT: Petition of C. F. Burtsfield and other citizens of Kalispell, Mont., and vicinity favoring increased rates of pension for veterans of the Spanish-American War and widows and orphans of veterans; to the Committee on Pensions.

5951. By Mr. LEECH: Petition of citizens of Portage Borough and Portage Township, Cambria County, Pa., urging the passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

5952. By Mr. LETTS: Petition of Charles A. Schesser and other citizens of Bettendorf, Iowa, urging the passage of pension legislation in behalf of the Spanish-American War veterans; to the Committee on Pensions.

5953. By Mr. LINTHICUM: Petition of Rev. Oscar Thomas Olson, of Mount Vernon Place Methodist Church, Baltimore; Rabbi Morris S. Lazon, of Baltimore; and William R. Price, of Baltimore, indorsing Capper-Robsion bill; to the Committee on Education.

5954. Also, petition of Maryland Lumber Co., the Dulany-Vernay Co., the Price Co., and L. M. Kantner, all of Baltimore, Md., indorsing Capper-Kelly fair trade bill, H. R. 11; to the Committee on Interstate and Foreign Commerce.

5955. By Mr. MAPES: Petition of 72 residents of Grand Rapids, Mich., recommending the early enactment by Congress of Senate bill 476 and House bill 2562, providing increased rates of pension to veterans of the war with Spain; to the Committee on Pensions.

5956. By Mr. MURPHY: Petition of Rev. B. J. Yorke and 58 other residents of Carrollton, Carroll County, Ohio, urging the speedy consideration and early passage of Senate bill 476 and House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

5957. By Mr. OLIVER of New York: Petition of the Fordham-Bedford Park Community Council, petitioning Congress to memorialize the Soviet Government of Russia to cease its persecution of religious organizations; to the Committee on Foreign Affairs.

5958. By Mr. FRANK M. RAMEY: Petition of Local Union, No. 1576, United Mine Workers of America, Nokomis, Ill., urging the passage of Senate bill 3257 regarding old-age pensions; to the Committee on Pensions.

5959. By Mr. STONE: Petition of 18 residents of Tonkawa, Okla., asking Congress to pass favorably on House bill 9233 to

prescribe a certain prohibition oath; to the Committee on the Judiciary.

5960. Also, petition of 16 names of residents of Altus, Okla., asking Congress to pass favorably on House bill 9233 to prescribe a certain prohibition oath; to the Committee on the Judiciary.

5961. Also, petition of 26 names of residents of Douglass, Okla., asking Congress to pass favorably on House bill 9233 to prescribe a certain prohibition oath; to the Committee on the Judiciary.

5962. Also, petition of 20 names of residents of Lawton, Okla., asking Congress to pass favorably on House bill 9233 to prescribe a certain prohibition oath; to the Committee on the Judiciary.

5963. Also, petition of 21 residents of the town of Oklahoma City, Okla., asking Congress to pass favorably on House bill 9233 to prescribe a certain prohibition oath; to the Committee on the Judiciary.

5964. Also, petition of 33 residents of the town of Camargo, Okla., asking Congress to pass favorably on House bill 9233 to prescribe a certain prohibition oath; to the Committee on the Judiciary.

5965. Also, petition of 35 names of residents of the town of Enid, Okla., asking Congress to pass favorably on House bill 9233 to prescribe a certain prohibition oath; to the Committee on the Judiciary.

5966. Also, petition of 97 residents of Hobart, Okla., asking Congress to pass favorably on House bill 9233 to prescribe a certain prohibition oath; to the Committee on the Judiciary.

5967. By Mr. STRONG of Kansas: Petition of Charles T. Smith and 41 citizens of Salina, Kans., in support of legislation providing increased pension to Spanish War veterans; to the Committee on Pensions.

5968. By Mr. WOLVERTON of West Virginia: Petition of the Woman's Christian Temperance Union, of Richwood, W. Va., Jessie Pullen, president; Minnie McKenzie, secretary, urging Congress to enact a law providing for the Federal supervision of motion pictures before production to establish higher standards; to the Committee on Interstate and Foreign Commerce.

5969. By Mr. YON: Petition of J. C. Halles, J. M. Cooper, D. D. Hoyt, W. F. Hoyt, J. L. Wilkerson, and others, of Pensacola, Escambia County, Fla., urging the passage of House bill 2562 granting an increase of pensions to Spanish-American War veterans; to the Committee on Pensions.

SENATE

SATURDAY, March 22, 1930

(Legislative day of Monday, January 6, 1930)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Frazier	Kean	Schall
Ashurst	George	Kendrick	Sheppard
Baird	Glass	Keyes	Shortridge
Barkley	Glenn	La Follette	Smoot
Bingham	Goff	McCulloch	Steak
Black	Goldsborough	McKellar	Stelwer
Blaine	Gould	McMaster	Sullivan
Blease	Greene	McNary	Swanson
Borah	Grundy	Metcalf	Thomas, Idaho
Bratton	Hale	Moses	Thomas, Okla.
Brookhart	Harris	Norris	Townsend
Broussard	Harrison	Nye	Trammell
Capper	Hastings	Oddie	Tydings
Caraway	Hatfield	Overman	Vandenberg
Connally	Hawes	Patterson	Wagner
Copeland	Hayden	Phipps	Walcott
Couzens	Hebert	Pine	Walsh, Mass.
Dale	Heflin	Pittman	Walsh, Mont.
Dill	Howell	Ransdell	Waterman
Fess	Johnson	Robinson, Ind.	Watson
Fletcher	Jones	Robison, Ky.	Wheeler

Mr. McMASTER. I desire to announce that my colleague the senior Senator from South Dakota [Mr. NORBECK] is unavoidably absent.

Mr. HARRISON. I wish to announce that my colleague the junior Senator from Mississippi [Mr. STEPHENS] is detained from the Senate by illness.

Mr. SHEPPARD. The junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

I also desire to announce the necessary absence of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Pennsylvania [Mr. REED], who are delegates from the United States to the London Naval Conference.

I also wish to announce that the junior Senator from Tennessee [Mr. BROCK] is necessarily detained from the Senate on account of illness.

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is unavoidably absent. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

RESIGNATION OF DISTRICT ATTORNEY MEYER IN SOUTH CAROLINA

Mr. BLEASE. Mr. President, some days ago Senators McKellar and Brookhart, in discussing the manner in which one of the district attorneys of South Carolina conducted the office, were not very complimentary.

I have this morning received the presentment of the grand jury at the March, 1930, term of the court at Columbia, S. C., and the remarks of the Hon. J. Lyles Glenn, presiding judge, following the same.

I ask that they be read from the desk, so they may appear in the RECORD.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

The grand jury at the present March, 1930, term of this court at Columbia, S. C., made the following presentment:

"The grand jury at its March, 1930, session of court at Columbia, S. C., wish to go on record commending the present district attorney, Hon. J. D. E. Meyer, for the efficient manner in which he has conducted the office of district attorney for the past six or eight years.

"We also go on record as deploring the fact that he sees fit to resign this position. In his resignation we believe that the Department of Justice for the eastern district of South Carolina is losing a valuable employee.

"O. C. FLEXICO, Foreman."

Hon. J. Lyles Glenn, presiding judge, then remarked to the grand jury:

"Mr. Foreman and gentlemen of the grand jury, I am glad that you have expressed in a written statement what you thought about the resignation of the district attorney. Your action being entirely your own, without suggestion, has a special value. The court will have your presentment recorded as part of its record. The court further says that while it has been in its present position for a short time—as a matter of fact, less than a year—it heartily agrees with your findings. During the time that I have been judge I have formed the same opinion of the district attorney. During this time he has been a capable, efficient, and faithful public servant.

"You, being an impartial body, called together from all over the district, representing in a peculiar way the citizens of South Carolina, I am sure your free and voluntary action in submitting this resolution will be a source of great satisfaction to the district attorney.

"I am glad that you saw fit to take this action."

A true copy.

Attest:

[SEAL]

RICH'D W. HUTSON,
Clerk United States District Court,
Eastern District, South Carolina.

PERSONNEL OF AMERICAN DELEGATION TO NAVAL CONFERENCE

Mr. BLEASE. Mr. President, I ask unanimous consent to offer the following resolution, and I ask for its immediate consideration.

The VICE PRESIDENT. The clerk will read the resolution for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 242), as follows:

Resolved, That the Acting Secretary of State be, and he is hereby, requested to furnish to the Senate the names of all the Americans representing this Government in the naval parley now being held in London, together with the names, addresses, and occupation of the secretaries, stenographers, and other attachés accompanying them; and what the expense per diem is of each of the said parties, and what their respective duties are.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

Mr. SHORTRIDGE. I object. I think the resolution had better go over.

Mr. WALSH of Montana. Mr. President—

The VICE PRESIDENT. Objection has been made, and the resolution will go over.

Mr. WALSH of Montana. I wanted to suggest to the Senator from South Carolina that I think resolutions of this kind asking information of the Secretary of State usually incorporate the clause "if not incompatible with the public interest."

Mr. BLEASE. I think it is compatible with the public interest that we should know not only what is going on over there but what it is costing the taxpayers of the country.

The VICE PRESIDENT. The resolution will go over under the rule.